Self Invested Personal Pension for Wrap

Terms and Conditions

Please read and keep for future reference.

Standard Life

Any reference to tax and legislation is based on Standard Life's understanding of law and HM Revenue & Customs practice in April 2020. Tax and legislation are likely to change in the future.

Tax relief may be altered and its value depends on your financial circumstances.

Contents

1. Your terms

The words in **bold type** in this document are defined terms. **You** will find a glossary of the defined terms in Annex 1 of this document. They are part of these **terms** so please take care to read them carefully. 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.

This document sets out the Terms and Conditions for your **wrap SIPP** which govern our relationship with **you** (these '**terms**'). **You** should read these **terms** with the **client terms and conditions for wrap services** and your **product confirmation schedule**. These **terms** together with the **client terms and conditions for wrap services** and the **product confirmation schedule** form the full terms and conditions of your **wrap SIPP**.

Before applying for a **wrap SIPP you** should also consider carefully the following documents:

- **key features document** for **wrap SIPP**; and
- the **charging schedule**.

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

We have appointed **Standard Life Savings**, the provider of the **wrap platform** to provide **us** with certain servicing and administration functions. **We** have satisfied, and will continue to satisfy, ourselves that **Standard Life Savings** is competent to provide **us** with these services.

We have also agreed with **Standard Life Savings** that it will provide **you** and your **financial adviser** with certain **wrap platform** services in relation to your **wrap SIPP**. This allows your **financial adviser** to administer your **wrap SIPP** and to submit instructions directly to **Standard Life Savings**, for example to switch and/ or buy or sell investments via the **wrap platform**. Where agreed with your **financial adviser**, **you** may also be given view-only access to the **wrap platform**. Where **Standard Life Savings** makes its separate investment management functionality available, the **discretionary investment manager** will also be able to submit instructions via the **wrap platform**. The **client terms and conditions for wrap services** form your contractual relationship with **Standard Life Savings** and, together with these **terms**, govern the provision and administration of your **wrap SIPP**.

The **wrap SIPP** is designed to provide a flexible and tax efficient way for **you** to save for your retirement.

The **plan** is accessed through the **wrap platform**. Only a **financial adviser** or a **discretionary investment manager** who has agreed to the **adviser terms and conditions** can transact via the **wrap platform**. This means that to manage your investments in the **plan you** must have appointed a **financial adviser** and must have an on–going relationship with such a **financial adviser**. **You** can also appoint a **discretionary investment manager** if **you** wish to do so.

We have tried to set out these **terms** and all other related documents as clearly as possible. But if there is anything **you** are unsure of, please contact your **financial adviser** or the **platform customer centre**. Please note that the **platform customer centre** cannot provide **you** with advice.

The contact details for the **platform customer centre** are:

Call: 0345 279 1001 (call charges may vary)

Write: Platform Customer Centre, Dundas House, 20 Brandon Street, Edinburgh EH3 5PP

Email: wrap_sipp@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 the **platform customer centre** in writing.

2. Structure of your plan

2.1 If **we** accept your application for a **wrap SIPP**, **you** will become a **member** of the Standard Life Self Invested Personal Pension Scheme (the **scheme**). The **scheme** was set up under a trust dated 5 July 2004 and made by The Standard Life Assurance Company with Standard Life Trustee Company Limited as the first **trustee** and The Standard Life Assurance Company as the first **scheme administrator**. The current **scheme administrator** is Standard Life Assurance Limited, a company authorised by the Prudential Regulation Authority and regulated by the **FCA** and the Prudential Regulation Authority. Standard Life Assurance Limited is part of the **Phoenix group**.

We will categorise **you** as a retail client for the purposes of the **FCA** rules. For more information on the regulatory protection offered to retail clients, please speak to your **financial adviser**.

Accounts

2.2 You'll have one or more accounts under the scheme. When you start making regular payments, we'll create a flexible account to receive any regular or irregular payments you choose to make. But if a different type or level of adviser charge, commission or financial adviser remuneration or a different investment instruction is to apply to a single payment, we'll create a separate account for that single payment. Where you haven't started to make regular payments, we'll create a separate account for each single payment you choose to make.

We will also create a new **account** each time **we** receive a **transfer payment**. In some cases **we** will create more than one **account** to receive a particular t**ransfer payment** if, for example, section 2.4 applies to part of a **transfer payment**.

We will issue a confirmation to **you** each time that **we** create a new **account** for **you**.

2.3 Each time **you** ask **us** to start paying **benefits** from a new part of your **plan**, **we** will apply a **pension date** to it. **We** can apply a **pension date** to a whole **account** or to part of one, in accordance with your instructions. The part **we** apply a **pension date** to becomes a **post pension date account**. Any **account** or part of an **account** to which a **pension date** hasn't been applied remains a **pre pension date account**.

2.4 If **we** receive a **transfer payment** that represents a **drawdown pension fund**, **we** will create a **post pension date account(s)** to receive that **transfer payment**.

2.5 All of your **pre pension date accounts** together represent your **savings pot**.

All of your **post pension date accounts** (excluding any amounts paid out as a tax-free lump sum or used to buy an annuity) together represent your **drawdown pot**.

Investment mix

2.6 If **you** have both **pre** and **post pension date accounts**, **you** can apply different investment instructions to the **savings pot** and the **drawdown pot**. **We** will treat each **pre pension date account** as being invested proportionately in all of the investments held in the **savings pot**. And **we** will treat each **post pension date account**, after payment of any tax-free lump sum, as being invested proportionately in all of the investments held in the **drawdown pot**. (The proportion will be the size of the account in relation to the size of the pot to which it belongs).

You can hold different **Standard Life investment policy funds** (or the same ones in different proportions) in the **savings** and **drawdown investment mixes**. But because **we** group together all other investments (including your holding in the **SIPP cash account**) as 'additional investments', **you** can only tell **us** what proportion of the additional investments **you** want to hold in the **savings** and **drawdown investment mixes**. **You** can't ask for specific additional investments to be held in a **savings** or **drawdown investment mix**.

2.7 When **we** create a new **pre pension date account** for **you**, **you** can tell **us** how **you** would like the payment(s) to that **account** to be invested. Once **we** have carried out your instructions, those investments will be part of the **savings investment mix**. **We** will treat the new **pre pension date account** as being invested proportionately in all of the investments held in the **savings investment mix**.

For an example of how this works please refer to Annex 2 of these **terms**.

2.8 Likewise, when **we** create a **post pension date account** for **you**, as explained in section 2.3, **you** can tell **us** how **you** would like the **account** (after payment of any tax-free lump sum) to be invested. Once **we** have carried out your instructions, those investments will be part of the **drawdown investment mix**.

We will treat the new **post pension date account** as being invested proportionately in all of the investments held in the **drawdown investment mix**.

Arrangements

2.9 Your whole **plan** (except for any account described in section 2.10) belongs to the same **arrangement**.

2.10 If **we** receive a **transfer payment** that represents a **drawdown pension fund**, **we** will create a separate **post pension date account** within a separate **arrangement** for each part of the **transfer payment** which comes from a separate **arrangement**.

3. Eligibility

3.1 **You** are eligible to join the **scheme** if:

a) **you** are aged 18 or over;

b) **you** have a **financial adviser**; and

c) **you** are a **UK resident**.

3.2 If **you** want to open a **wrap SIPP**, your **financial adviser** must send **us** an application via the **wrap platform** on your behalf.

3.3 Your **wrap SIPP** will only be opened once:

a) **you** have accepted these **terms** (which is done when your **financial adviser** sends **us** an application via the **wrap platform** on your behalf); and

b) **we** have accepted your application.

3.4 If **we** accept your application **we** will send **you** and/ or your **financial adviser** a **product confirmation schedule** confirming the details on your application and requiring **you** to confirm your agreement to these **terms.**

3.5 Subject to the **FCA rules**, **we** have full discretion to accept or not to accept an application so **we** reserve the right to reject your application and **we** don't need to give **you** any reason for doing so.

3.6 Once **we** have accepted your application, **we** will:

a) open a **wrap SIPP** in your name and administer it in accordance with these **terms**; and

b) issue **you** with a SIPP plan number.

Please ensure that **you** and your **financial adviser** include this number in all communications with **us**.

3.7 **We** won't advise **you** about the suitability of any investment that **you** may decide to hold in your **wrap SIPP**, nor will **we** be responsible for any advice given to **you** by your **financial adviser**.

3.8 If your **financial adviser** no longer acts for **you** (for any reason), or **you** have appointed a new **financial adviser** who does not have access to the **wrap platform**, **you** will need to contact **us** by telephone or write to **us** 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**.

3.9 As explained in the **client terms and conditions for wrap services** (section 11.1), **you** confirm **you** have appointed your **financial adviser** as your agent and **you** authorise **us** to accept any instructions from your **financial adviser** in relation to your **wrap SIPP**. **We** have authorised your **financial adviser** to submit dealing instructions directly to **Standard Life Savings**.

3.10 Subject to any of our duties or liabilities under **FSMA** and the other provisions of these **terms, we** shall only be liable to **you** for any loss or damage **you** may suffer as a direct result of any services which **we** provide to **you** to the extent that such loss or damage arises as a result of fraud, negligence or wilful default by **us**.

4. Payments

4.1 **We** can accept the following payments to the **scheme** up until the day before your 75th birthday:

a) a **transfer payment**;

b) a payment from your employer; or

c) a payment from **you**.

We can accept a **transfer payment** on or after your 75th birthday.

You must let **us** know if **you** have **flexibly accessed** your benefits with another pension provider and received a notification of the type described in section 4.21.

Before **we** can accept a **transfer payment**, **we** require certain information from the **transferring scheme**, such as, for example, information relating to your **maximum income** or **regular review date** relevant for **capped income drawdown**. If **we** don't receive complete and accurate information, **we** won't be able to accept the **transfer payment** and **we** will return to the **transferring scheme** any money or assets that **we** have already received for that **transfer payment**. **We** will notify you if **we** do this.

Before deciding to make a transfer payment into this **scheme you** should consider whether any guarantees in the transferring scheme are important to **you**. Any guarantees in the transferring scheme will be lost on transfer.

Your cancellation rights are described in section 18.6.

4.2 **We** won't accept:

a) any payments on your behalf from a person who is not your employer;

b) any payments to buy an **annuity** immediately; or

c) contributions in the form of shares from a savings-related share option scheme or a share incentive plan.

We may not be able to accept a **transfer payment** into the **scheme** if it is subject to an **earmarking order**. If **you** are considering a **transfer payment** that involves an **earmarking order**, please discuss this with your **financial adviser**.

We won't administer **capped** and **flexible drawdown** within the same **plan**, so in some cases a new **plan** will need to be set up before **we** can accept a payment.

Maximum and minimum payments

4.3 **HMRC** don't set any limits on the payments that can be made to the **scheme** in a **tax year**. However, **HMRC** do limit the level of your payments on which **we** can claim basic-rate tax relief on your behalf (as explained in section 4.18). **We** set a maximum equal to these **HMRC** limits on the size of payment that **we** will accept from **you** because **we** won't accept any payments on which **we** cannot claim basic-rate tax relief (as explained in section 4.18). There is no limit on the size of employer payment (though see section 4.21 in respect of the consequences of exceeding your **annual allowance**) or **transfer payment** that **we** will accept into the **plan**.

4.4 **We** set a minimum **transfer payment**, a minimum single payment, a minimum regular monthly payment and a minimum regular yearly payment that **we** will accept. At the date of publication these minimums are:

a) Single payment to set up a **plan**: £10,000

b) Monthly regular payment to set up a **plan**: £300 a month

c) Yearly regular payment to set up a **plan**: £3,000

d) Single **transfer payment** to set up a **plan**: £10,000

Where more than one **transfer payment** is being made at the same time, the minimum applies to the total of all those **transfer payments**. Lower minimums apply to larger **plans**. **You** can find out the current minimums that apply to larger **plans** by contacting your **financial adviser**.

We don't currently set a minimum for any 'irregular' payment if **you** already have a **flexible account** under your **plan** and there is no minimum amount for any additional single or **transfer payment** into a **plan**.

We may change the minimums from time to time, if it is necessary for **us** to do so to maintain our profitability. **You** can find out the current minimums that apply by contacting your **financial adviser**.

How and when payments can be made

4.5 **Transfer payments** to the **scheme** can be made by direct credit, telegraphic transfer or cheque on any **business day**.

4.6 Single or irregular payments from **you** or your employer on your behalf can be made by telegraphic transfer or cheque. **You** can also make payments via the **wrap cash account**. If the payer already has a variable direct debit in place for the **plan**, the irregular payment can be made by that direct debit. Single or irregular payments can be paid on any **business day**.

4.7 **You** can make regular payments by variable direct debit. Your employer can make regular payments by variable direct debit. Regular payments can be paid monthly or yearly. **You** or your employer can, at any time, increase, reduce or stop making regular payments. But **we** won't accept any payments from **you** on which **we** can't claim basic-rate tax relief (as explained in section 4.3) and **we** can refuse to accept any regular payment that's below a minimum set by **us** (as explained in section 4.4).

4.8 If a cheque or direct debit is rejected after **we** have used it to buy investments and **we** have not received cleared funds within 5 **business days** of notifying your **financial adviser** of this, **we** will sell those investments or exercise any right to cancel their purchase. **You** will be charged any reasonably incurred costs or expenses **we** incur in doing so. If the value **we** receive for selling or cancelling the purchase of an investment is less than the price **we** paid for it, **we** will deduct the difference from your holding in the **SIPP cash account**. If there is not enough money in your holding in the **SIPP cash account**, **we** will collect the required amount in the way described in sections 6.6 and 6.7.

4.9 **We** can decide that **we** are not accepting any further payments to your **plan**, provided **we** have reasonable cause to do so and **we** notify **you** of our reasons. If **we** decide to do so under this section **you** will be able to transfer your **plan**, free of our transaction charge (as described in section 10.9) during the 3 month period starting on the date of the notification but **we** will still deduct any transfer charge. **We** will still pass on to **you** any transfer fee or exit fee imposed on **us** by **managers** of **mutual funds**.

Indexation

4.10 Where regular payments are being paid, **you** can ask for them to increase automatically each year by a fixed percentage (1 to 10%) or in line with the **index of average weekly earnings**. The same basis must apply to all regular payments made by **you** or your employer on your behalf. **We** will agree to your request unless **we** have reasonable cause not to, in which case **we** will inform **you** of our reasons. If **we** agree, the regular payment will increase each year on the indexation date which is the day chosen by **you** or, if **you** haven't chosen a day, the anniversary of the day on which the first regular payment was made.

4.11 Each year, before the indexation date, **we** will tell **you** what the new level of regular payment will be from the indexation date. Unless **you** tell **us** to collect a different amount, **we** will then collect that new level of regular payment until the following indexation date. If your **plan** invests only in **Standard Life investment policy funds**, the **insurer** will use the increase to allocate extra **units**. If your **plan** invests in other investments (including the **SIPP cash account**), **we** will add the increase to your holding in the **SIPP cash account** unless **you** give **us** other instructions.

4.12 If **you** choose to have indexation in line with the **index of average weekly earnings**, **we** will work out the increase by using the figure in the index for the month that is 4 months before the increase is due. **We** will not, however, change your regular payment if the index goes down. If the Government changes the index, **we** will use another basis which will give similar increases.

4.13 **You** can ask for the regular payment to stop increasing automatically, by contacting your **financial adviser**.

How tax relief on payments works

4.14 There is no tax relief on **transfer payments** into your **plan**.

4.15 If your employer makes a payment to your **plan**, they can normally treat the payment as a business expense or use it to reduce assessable profits. **You** will not be taxed on the benefit to **you** of your employer's payments as long as **you** do not exceed your **annual allowance** (see section 4.21).

4.16 If **you** want to make a payment to your **plan**, basic-rate tax relief on that payment is provided 'at source'. This means that **you** should deduct an amount equal to basic-rate tax from that payment to calculate the 'net' payment that **you** need to give **us**. **We** will 'gross-up' the amount that **we** receive (which means that **we** will treat it as if it had been paid without the tax deduction) and claim the basic-rate tax from **HMRC**. So if the basic rate of income tax for the **tax year** is 20% and **you** want the grossed-up payment to be £5,000, the amount **you** need to pay to **us** is: (100% – 20% = 80%) of £5,000 which is £4,000.

If **you** pay tax at a higher rate, **you** can contact **HMRC** to claim any additional tax relief on your payment.

If **you**'re subject to a Scottish rate of income tax, which varies from the rest of the **UK**, **you** can contact **HMRC** either to claim additional tax relief if the Scottish rate is higher or to reconcile any difference in tax relief if the Scottish rate is lower.

4.17 If **you** sacrifice salary in exchange for an employer payment to your **plan**, section 4.16 doesn't apply to that payment.

HMRC limits

You will be able to benefit from basic-rate tax relief on your annual contribution to your **plan** subject to the conditions as explained in sections 4.18 to 4.20 below.

For more information, please see our leaflet 'Information about tax relief, limits and your pension' (GEN658).

(a) Tax relief on your contribution

4.18 In any **tax year** in which **you** are a **relevant UK individual**, **HMRC** will give tax relief on your payments to your pension schemes up to the higher of:

a) the **basic amount** regardless of your earnings; and

b) 100% of your **relevant UK earnings** for that **tax year**.

These **HMRC** limits for tax relief apply to the total grossed-up payments (i.e. including the basic-rate tax relief received from **HMRC**, as explained in section 4.16) made by **you** or a third party to all your pension plans. As explained in section 4.3, **we** will not accept payments from **you** on which **we** can't claim basic-rate tax relief and, as explained in section 4.2, **we** won't accept any third party payments to your **plan**.

Payments made by your employer don't count towards the **HMRC** limits for tax relief (but do count towards your **annual allowance** as explained in section 4.21).

4.19 If **you** stop being a **UK resident** and don't have any **relevant UK earnings** but **you** were a **UK resident** when **you** joined the **scheme**, **you** can continue paying up to the **basic amount** for the next five **tax years** following the **tax year** in which **you** leave the **UK**.

4.20 Where **we** find out from **HMRC** that **you** have made a payment to your **plan** that's higher than the **HMRC** limits described in section 4.18 and 4.19, **we** will use your holding in the **SIPP cash account** to pay a refund to **you** and to **HMRC** to bring your payment within the **HMRC** limits. **You** will also be charged for our reasonable costs in paying the refunds. If **you** don't have enough funds in the **SIPP cash account** to repay **HMRC**, repay yourself and pay our costs, **we** will sell investments on the basis described in sections 6.6 and 6.7.

(b) Annual allowance

4.21 **HMRC** set an **annual allowance** on the total amount that **you**, your employer and any third party can pay to all your pension plans without a tax penalty. This allowance has been £40,000 for each **tax year** since 6 April 2014 but it may change in the future.

If your total income and employer's pension contributions exceed £240,000 in a **tax year** starting on or after 6 April 2020, **you** will have an **annual allowance** of less than £40,000. Your **annual allowance** will be reduced by £1 for every £2 **you** receive over £240,000 in a **tax year**. Regardless of how much **you** receive, your **annual allowance** will not be reduced below £4,000.

The tax penalty for exceeding the **annual allowance** is that **you** will pay income tax at your **marginal rate** on payments to your pension plans that exceed the allowance. This tax is called the **annual allowance charge**. If the total payments to all your pension plans are less than £40,000 in one **tax year**, **you** will be able to carry forward the unused amounts for up to three **tax years**. If **you** think that **you** may exceed your **annual allowance**, please speak to your **financial adviser**.

If **you flexibly access** any benefits with any pension provider on or after 6 April 2015 **you** get a **money purchase annual allowance** of £4,000 and there is no carry forward of unused **money purchase annual allowance** from previous **tax years**. When **you flexibly access** your benefits **you** will get a notification from your pension provider which will explain more about the new limit and what **you** need to do. **You** need to let **us** know if **you** have received one of these notifications from another pension provider or **you** may be fined by **HMRC**.

The **annual allowance** and **money purchase annual allowance** don't apply to **transfer payments**.

Where payments to this **scheme** exceed both your **annual allowance** and £40,000 and your annual allowance charge is more than £2,000, **you** have a statutory option to notify **us** in writing that **you** want the annual allowance charge to be deducted from your **plan**. **You** can use form GEN1742 for this purpose. If **you** are subject to the £4,000 **money purchase annual allowance** and **you** exceed that limit the statutory option does not apply to **you** and **you** will have to pay any tax due to **HMRC** yourself.

(c) Lifetime allowance

4.22 **HMRC** set a **lifetime allowance** on the total retirement benefits that **you** can receive from all your pension plans without a tax penalty. This allowance is £1,073,100 from 6 April 2020 and is expected to change in line with the Consumer Price Index (CPI).

If **you** receive **benefits** from any pension scheme at a lower level than your **lifetime allowance**, **you** can carry forward the unused part of your **lifetime allowance** against future **benefits**. If **you** have the right to take **benefits** from your **plan(s)** before the 'normal minimum pension age' (which is explained in section 11.3) – as is the case, for example, for certain sports people – then your **lifetime allowance** may be affected if **you** do so. If **you** are considering taking **benefits** from your **plan** before the normal minimum pension age **you** should discuss this with your **financial adviser**.

If your **benefits** exceed your **lifetime allowance**, there's a **lifetime allowance charge** of 55% on the excess if it's paid as a lump sum or 25% if **you** take it as income drawdown or an **annuity**.

4.23 In Annex 3, **we** summarise the higher levels of **lifetime allowance** which could apply to **you** if **you**'re eligible for protection now, or if **you** have previously applied to **HMRC** for protection. If **you** think **you** could be eligible for protection, **we** strongly suggest **you** discuss the situation with your **financial adviser**. There may be a cost for this.

4.24 Up until your 75th birthday your **benefits** must be tested against the **lifetime allowance**:

a) each time **you** apply a **pension date** to part of your **plan** (which is when **we** start, at your request, paying **you** a **benefit** from a new part of your **plan**, as explained in section 2.3);

b) each time **you** buy an **annuity** (but if **you** buy an **annuity** after taking income drawdown, it's only the difference between the **annuity** purchase price and the relevant proportion of the **drawdown pension fund** at its **pension date** that'll be tested);

c) if **you** die leaving a **savings pot** in your **plan**;

d) if **you** make a **transfer payment** to a **qualifying recognised overseas pension scheme**.

On your 75th birthday the value of any remaining **savings pot** must be tested against your **lifetime allowance**. Any **drawdown pot** must also be tested on your 75th birthday. The test will only apply to the difference between the value of the **drawdown pot** on that date and the collective value of each **drawdown pension fund** at its **pension date** (or the relevant proportion of its value at its **pension date** if **you** have already used part of it to buy an **annuity**).

5. Investments

Permitted investments

5.1 A wide range of investments can be held under a Self Invested Personal Pension Scheme but certain investments are subject to additional tax charges imposed by **HMRC** to discourage their use. **You** can ask your **authorised person** for details of the investments currently subject to tax charges by **HMRC**.

Buying and selling investments

5.2 **You** can tell **us** what investments **you** want to buy but **we**, as the **scheme administrator**, will decide if an investment is an acceptable one to be held in the **scheme**. **We** will tell **you** if an investment isn't acceptable and the reasons for our decision. The **scheme administrator** and the **trustee** aren't liable or responsible for any loss or missed profit if **we** don't agree to buy an investment.

Sections 5.3 to 5.5 set out our terms for accepting particular types of investment. The investment provider may have their own terms which could, for example, include minimum investments and powers to delay sales.

You can tell **us** what investments **you** want to sell. If there are legal or regulatory reasons why **we** can't do so, or if it will take time to do so as the investment provider has set restrictions on sales, **we** will tell **you**. The **scheme administrator** and the **trustee** are not liable or responsible for any loss or missed profit if **we** can't sell the investment when **you** want **us** to do so.

5.3 **We** will only agree that an investment is an acceptable one to be held in the **scheme** (and instruct the **trustee** to buy it) if, in our reasonable opinion, the investment will not be subject to the additional tax charges imposed by **HMRC** to discourage particular types of investment such as residential property, tangible moveable property (including fine art, wine, antiques and vintage cars) and loans to any person. (**HMRC** will tax these investments as if they are unauthorised payments.)

Even if a type of investment is not subject to additional tax charges, **we** can choose not to allow it under the **scheme**. **We** may do so if in our reasonable opinion:

a) there's a significant risk that the **scheme administrator** or the **trustee** could find itself with a liability that it might not be able to meet from your **plan**; or

b) making (or supporting) the investment could reduce the level of service that the **scheme administrator** or the **trustee** can provide to other **members** of the **scheme**; or

c) it might result in damage to the reputation of the **scheme administrator** or the **trustee**; or

d) it is a type of investment that too few **members** would select for it to be cost-effective for the **scheme administrator** to develop the processes or recruit the staff to make or support such an investment within the **scheme**; or

e) there are legal or regulatory reasons why **we** can't do so.

5.4 **We** may instruct the **trustee** to sell an investment without your agreement if, in our reasonable opinion:

a) the investment will become subject to the additional tax charges imposed by **HMRC** to discourage particular types of investment; or

b) there is a significant risk that, by keeping the investment, the **scheme administrator** or the **trustee** could find itself with a liability that it might not be able to meet from your **plan**; or

c) keeping the investment might result in damage to the reputation of the **scheme administrator** or the **trustee**; or

d) there are legal or regulatory reasons why **we** must do so (which include, for example, complying with a court order, paying back a loan or making payments under the **rules**); or

e) it is necessary for a **member's** share of a syndicated purchase of a property (see section 9.2) to be sold to make payments under the **rules** and the other members of the syndicate have not agreed to purchase that share; or

f) **you** haven't kept sufficient funds in the **SIPP cash account** to meet expected payments and **we**'re selling investments in the order set out in sections 6.6 and 6.7.

We will tell you if an investment is sold and the reasons for the sale. The **scheme administrator** and the **trustee** are not liable or responsible for any loss or missed profit if **we** sell an investment under this section.

5.5 In accepting your instructions to buy or sell an investment, the **scheme administrator** and the **trustee** are not expressing an opinion on the likely performance of the investment, the suitability of any new investment for your **plan** or the merits of any sale and are not under a duty to do so. **You** are relying on your own assessment of these matters and on any advice received from your **financial adviser** including where an option or choice arises in relation to an investment held in your **plan**.

The **scheme administrator** and **trustee** are not responsible for the investment advice provided by your **financial adviser** or a **discretionary investment manager** providing an advisory service or for the investment decisions made on your behalf by the **discretionary investment manager**.

The **scheme administrator** and trustee are not liable or responsible for any loss or missed profit caused by the failure of a **discretionary investment manager**, **execution–only stockbroker**, investment provider, bank, custodian, sub–custodian or nominee company to perform their duties or to meet their financial obligations (including, for example, if they become insolvent).

The **scheme administrator** and **trustee** are not liable or responsible for the accuracy of the valuations provided by an investment provider, nor for the content or accuracy of the literature produced by an investment provider including any factsheet or prospectus.

The **scheme administrator** and **trustee** are however responsible for any loss caused by their own fraud, negligence, wilful default or breach of regulatory duty.

Ownership of the investments

5.6 The **trustee** will own all of the investments held for **you** under the **scheme** but it will only buy or sell investments where the **scheme administrator** directs the **trustee** to do so. As a **member** of the **scheme**, **you** don't own the investments held for **you** under your **plan** but your **benefits** do depend on how these investments perform.

The investments are held by the **trustee** or, on the trustee's behalf, by the **execution–only stockbroker**, a **discretionary investment manager**, a nominee or a custodian.

We won't direct the **trustee** or ask the **execution–only stockbroker**, **discretionary investment manager**, nominee or custodian to exercise voting rights (or appoint a proxy) in line with your wishes for any investment in your **plan**. Neither **we** nor the **trustee** are obliged to initiate or participate in any legal actions regarding the investments held in your **plan**.

In specie transfer payment

5.7 If **you** want to make an **in–specie transfer payment** to the **scheme**, **you** must give **us** a list of all of the assets that **you** want to transfer to the **scheme**. **We** will tell **you** if there are any assets on that list which **we're** not willing to accept, as well as our reasons for doing so. The **trustee** can refuse to accept ownership of any asset which **we** didn't agree to accept or which wasn't included on the list. If **we** cannot accept an asset and **you** still want to continue with the transfer, **you** will need to sell that asset and transfer the proceeds to the **scheme** in accordance with section 4.5.

For further information on how to make an **in–specie transfer payment**, please contact your **financial adviser**.

SIPP cash account

5.8 **We** describe the **SIPP cash account** in section 6.

Standard Life investment policy funds

5.9 **We** describe **Standard Life investment policy funds** in section 7.

Mutual funds traded on the wrap platform

5.10 **We** describe **mutual funds** traded on the **wrap platform** in section 8.

Fixed rate deposit accounts

5.11 From time to time, a bank or building society may offer fixed rate deposit **accounts** that have a maturity date. If **you** wish to invest in one of these **accounts**, an early withdrawal penalty may apply if a withdrawal is made before the maturity date to pay **benefits** or for any other reason. The proceeds of the **account** (including the interest) are paid into the **SIPP cash account** and any penalty will be deducted before the balance is placed into that account.

Other investments

5.12 Other investments include investments made through the **execution–only stockbroker** (see section 5.15) or **discretionary investment managers** (see section 5.19) and commercial property. **We** describe investment in commercial property in section 9. **We** may receive income from transactions in these investments or from holding these investments (for example, in arranging insurance for property) and, if **we** do so, **we** will keep that income as part of our overall income under the **wrap SIPP**.

Access to the full range of investment options

5.13 **We** have appointed an **execution–only stockbroker** and **discretionary investment managers** and their roles are described in sections 5.15 to 5.24. If **you** don't use our **execution–only stockbroker** or a **discretionary investment manager** for all or part of your **plan**, **you** won't be able to use the full range of investments available under the **scheme**.

5.14 In particular, futures and options are types of investment which are not subject to additional tax charges by **HMRC** but **we** will only allow them under the **scheme** if:

a) **you** have appointed a **discretionary investment manager** (see section 5.19) to manage a portfolio of assets held for **you** off the **wrap platform** under the **scheme**;

b) the futures and options will be part of that portfolio held for **you** off the **wrap platform**; and

c) the discretionary **investment manager** has agreed to limit the liability of the **trustee** and the **scheme administrator** to the value of your **plan**, which cannot be less than £0.

Execution-only stockbroker

5.15 **We** have appointed an **execution–only stockbroker** for **SIPP members** who wish to make execution–only trades.

Our appointed stockbroker will not provide advice on the merits of an investment transaction or advice on whether an investment is suitable for **you**.

Our appointed stockbroker will hold the investments purchased through this service as custodian for the **trustee**. The **execution–only stockbroker** may pool investments and money held by them for your **plan** with investments and money held for other customers that they have. If there's a shortfall and the **execution–only stockbroker** is unable to meet their financial obligations, your **plan** may be due a share of the shortfall.

5.16 If **you** want to do execution–only trades, **you** must use our **execution–only stockbroker**. **You** can buy or sell any of the **UK listed securities** which are available on the **wrap platform** through our appointed stockbroker. Your instruction to buy or sell **listed securities** will be placed with the **execution–only stockbroker** as soon as reasonably practicable after it has been received. If no price is available for an instruction on the **business day** that our **execution-only stockbroker** tries to execute your instruction it will be cancelled and a new instruction will have to be provided by your **financial adviser** if **you** still wish to carry out that transaction. If **you** instruct one or more **listed securities** to be sold and the proceeds used to purchase another investment, the instruction to buy investments won't be placed until the sale proceeds for those sell transaction(s) have been received.

5.17 Your **financial adviser** will place the trades that need to be executed by our appointed **execution–only stockbroker** on the **wrap platform**. When the contract notes are received, this information will be passed on to your **financial adviser** via the **wrap platform**.

5.18 When **you** buy an investment, the **execution–only stockbroker** will request money from the **SIPP cash account** to pay for the purchase. When **you** sell an investment, the **execution–only stockbroker** will pay the sale proceeds into the **SIPP cash account**.

We will normally deduct a transaction charge from your holding in the **SIPP cash account** each time **you** buy or sell **listed securities**. Please see section 10.9 for more details on the transaction charge. This charge is set out in the **charging schedule**.

When **you** are buying an investment, your **financial adviser** must make sure that **you** have enough money in the **SIPP cash account** to settle the trade. **We** won't give the **execution–only stockbroker** any money unless it's available from your holding in the **SIPP cash account**. If a trade has to be cancelled because there's not enough money to pay for it, **you** will still be charged the transaction costs. The stockbroker may charge **you** for the extra administration involved. And **we** may also charge **you** for the extra administration involved.

The **execution–only stockbroker** will arrange that any income on the investments held for your **plan** is paid to the **SIPP cash account**.

Discretionary investment manager

5.19 **Wrap SIPP members** who do not wish to take their own investment decisions may use the services of a **discretionary investment manager** to take day–to–day investment decisions for them in one of two ways.

a) Where **Standard Life Savings** chooses to make its separate investment management functionality available, a **discretionary investment manager** can manage certain assets on the **wrap platform**, for example within **managed portfolios** managed by a **discretionary investment manager**; and/or

b) A **discretionary investment manager** can also manage assets off the **wrap platform**.

You can't use a **discretionary investment manager** that has not been granted access to the **wrap platform.**

You need to agree an investment strategy with them taking account of your needs, your attitude to risk and our restrictions on the types of investments allowed. It is your and your **financial adviser**'s responsibility to assess the suitability of any investment strategy offered by a **discretionary investment manager**.

In either case, an appropriate agreement dealing with investment arrangements will need to be entered into with any **discretionary investment manager** (this may be with **us** or your **financial adviser**) (and where managing assets on the **wrap platform**, the **discretionary investment manager** will need to enter into a **discretionary investment manager agreement**) before that **discretionary investment manager** begins to manage assets on or off the **wrap platform**. For more information on the appointment of **discretionary investment managers**, please see section 11 of the **client terms and conditions for wrap services**. For a list of the **discretionary investment managers** available to **wrap SIPP members**, please contact your **financial adviser**.

Where **you** appoint a **discretionary investment manager** to manage your assets off the **wrap platform, we** will make a yearly charge as set out in section 10.13a) for each **discretionary investment manager** that **you** use.

You will also have to pay the **discretionary investment manager's** charges for all of the assets managed both on and off the **wrap platform**. For further details of how to pay charges for assets managed by a **discretionary investment manager** on the **wrap platform**, see section 10.13b).

5.20 **Discretionary investment managers** managing assets on or off the **wrap platform** must at all times:

- comply with **our** restrictions on the type of investments allowed;
- sell investments when **we** require money to pay your **benefits**;
- follow our instructions on the transfer of the investments if they stop being authorised to be a **discretionary investment manager** or if their access to the **wrap platform** and/or their ability to manage assets on the **wrap platform** is removed ; and in addition, where assets are managed off the **wrap platform**, the **discretionary investment manager** must also:
- be responsible, on behalf of the **trustee**, for the safe custody of the investments purchased through this service;
- set up an account for your **plan** and pay money out of that account only to **us**;
- keep the investments of your **plan** separate from any of your own investments which **you** might have with that **discretionary investment manager**; and
- prepare reports on transactions and valuations for **us** so that **we** can administer your **plan**.

Where a **discretionary investment manager** manages assets off the **wrap platform**, the **discretionary investment manager** may pool investments and money held by them for your **plan** with investments and money held for other customers that they have. If there is a shortfall and the **discretionary investment manager** is unable to meet their financial obligations, your **plan** may be due a share of the shortfall.

Where assets are managed by a **discretionary investment manager** on the **wrap platform:**

- the assets will be held together with the assets of other clients in pooled accounts. **You** can find more information on pooling of assets in section 15.4 of the **client terms and conditions for wrap services**; and
- your **discretionary investment manager**, or **financial adviser** (where your **financial adviser** uses **Standard Life Savings**' separate investment management functionality on the **wrap platform**), may hold money in **portfolio cash accounts**. Money held in a **portfolio cash account** will be pooled together with money belonging to other customers in pooled client bank accounts. Please see section 16 of the **client terms and conditions for wrap services** for further details of how cash is held in cash accounts including a **portfolio cash account**.
- on the happening of certain events, within 10 **business days** all the investments held in that **managed portfolio** or **advised portfolio** will be moved to the **wrap platform** unless **you** are notified that these investments will be sold instead and the proceeds paid into the **SIPP cash account**. Where the investments are moved to the **wrap platform** different charges may apply when they are held on the **wrap platform**. Please contact the **platform customer centre** or speak to your **financial adviser** for more information. Where an investment is not available on the **wrap platform**, it will be sold and the proceeds paid into the **SIPP cash account.** Please see section 11.12 of the **client terms and conditions for wrap services** for further details.

5.21 Neither assets managed on the **wrap platform** nor off the **wrap platform** by a **discretionary investment manager**, can include any direct investment in property or land, or any borrowing associated with the direct purchase of property or land.

5.22 **You** are relying on the investment expertise of the **discretionary investment manager** that **you** use. It's your responsibility to organise your dealings with your **discretionary investment manager** and for the security of your communications with them. Where your **discretionary investment manager** is managing assets off the **wrap platform**, **we** won't pass on your instructions to them. They'll send the contract notes to **you** and deal directly with **you** regarding your investments.

Where **Standard Life Savings** chooses to make its separate investment management functionality available on the **wrap platform** and a **discretionary investment manager** or **financial adviser** is managing assets on the **wrap platform** using this functionality:-

a) the **discretionary investment manager** or **financial adviser** can pass on dealing instructions for investments to be bought, sold, switched or rebalanced in accordance with the **client terms and conditions for wrap services** and the **discretionary investment manager agreement**;

b) it is your **financial adviser's** responsibility to advise **you** on, and to continue to review, the suitability of your investment selection. **You** will not receive contract notes for transactions relating to each portfolio of assets managed by your **discretionary investment manager** or **financial adviser**. **You** will receive a **managed portfolio statement** every 6 months. If **you** would prefer it, **you** can ask for the **managed portfolio statement** to be provided every 3 months. Please see section 11.11 of the **client terms and conditions for wrap services** for more details; and

c) the **discretionary investment manager** or your **financial adviser** may impose a minimum investment amount in respect of **managed portfolios** they manage, in which case your investment in these **managed portfolios** will have to be equal to or higher than the minimum investment amount imposed by the **discretionary investment manager** or your **financial adviser**. To find out whether the **discretionary investment manager** or your **financial adviser** impose minimum investment amount, please ask the **discretionary investment manager** or your **financial adviser**.

5.23 For assets managed off the **wrap platform**, **we** will forward money to, and receive money from, your **discretionary investment managers** in accordance with your instructions. **We** won't forward any money to your **discretionary investment manager** unless it's available from your holding in the **SIPP cash account.**

Advisory service

5.24 Some of the **discretionary investment managers** also offer an 'advisory' service. This means that the **discretionary investment manager** will give **you** advice on your investments but **you** will make your own decisions. To place your trades, **you** must use the services of the **discretionary investment manager**

Mutual funds not traded on the wrap platform

5.25 If **you** instruct **us** on your behalf to buy and sell **units** in a **mutual fund** that's not traded on the **wrap platform**, these **units** will be bought, held and sold subject to the terms set out in that **mutual fund's prospectus**. The **trustee** owns the **units** and holds them to provide your **benefits**. A **mutual fund's prospectus** may allow the **manager** to make changes to a **mutual fund** (for example, closing, winding up or dividing the **mutual fund**) as set out in the **mutual fund's prospectus**. For full details, please refer to the **mutual fund's prospectus** which is usually available on the **manager's** website. Where the **manager** fails to administer a **mutual fund** in accordance with the **mutual fund's prospectus**, **we** won't make good any loss that arises. **We** also won't make good any loss that you might suffer as result of the exercise of a power set out in the **mutual fund's prospectus**.

5.26 The **manager** of a **mutual fund** may increase their charge and, when **we** are informed, **we** will inform **you** or your **financial adviser** as soon as is reasonably practicable.

Deposit accounts

5.27 From time to time, a bank or building society may offer fixed rate deposit **accounts.** If **you** wish to invest in one of these accounts, the account will be held in the name of the **trustee**. The deposit account could be a pooled account which means that it contains holdings for a number of SIPP **plans**. If there is a shortfall and the bank or building society is unable to meet their financial obligations, your **plan** may be due a share of the shortfall.

The **scheme administrator** and **trustee** must be able to withdraw money from the account where, for example, money is required to pay **benefits**. This applies even if the deposit is intended to be for a fixed term. The bank or building society may charge a penalty for early withdrawal or surrender of a term deposit and any penalty, if not deducted from the proceeds, will be deducted from your holding in the **SIPP cash account**.

Other available investments

5.28 **We** can provide your **financial adviser** with our list of the other types of investments that **we** are currently accepting under a **plan**. For these less common investments, **we** may have special requirements but **we** will tell **you** about them when **you** ask to invest in one of them.

Instructions from your authorised person

5.29 **We** will treat any instructions on investments that **we** receive from your **authorised person** as your instructions.

But in some cases, for example, the buying or selling of a property, **we** may require a direct instruction from **you**.

Timely execution

5.30 Sections 7.20 to 7.30 describe how transactions are done under the Standard Life Investment Policy and section 8 describes the **mutual funds** available from the **wrap platform**. All other investments will be transacted as soon as is reasonably practicable after complete and unambiguous instructions have been received. **You** can obtain details of what is 'reasonably practicable' for a particular investment from your **authorised person**. By transact **we** mean that **we** will have completed our part in the buying or selling process for that investment, such as filling in an application form or sending money to an appointed **discretionary investment manager**. As long as **we** have acted as soon as is reasonably practicable, **we** are not liable or responsible for any loss or missed profit between the time that **we** received the instruction and the time that it was completed.

5.31 Where **Standard Life Savings** chooses to make its separate investment management functionality available and your **authorised person** is managing or administering assets within your **plan** using this functionality on the **wrap platform**, your instructions to buy, sell or switch any part of your holding in a **managed portfolio** or **advised portfolio** may be delayed while your **authorised person** is carrying out an investment transaction, for example, rebalancing of the **managed portfolio** or **advised portfolio**. In this case, **Standard Life Savings** will place your instructions to buy, sell or switch any part of your holding in a **managed portfolio** or **advised portfolio** as set out in section 12.1 of the **client terms and conditions for wrap services**.

5.32 Please see section 12 of the **client terms and conditions for wrap services** as to the impact of a sale instruction which equates to 95% or more of the value of your holding in a **mutual fund** or holding in a **managed portfolio** or **advised portfolio**.

Transactions between your plan and you or any person or company connected with you

5.33 Where there's an investment transaction (including a lease) between your **plan** and **you** (or any person or company connected with **you**) then it must be an 'arm's length bargain'. This is an **HMRC** requirement and, if this doesn't happen, there are tax penalties.

Investment income

5.34 If **we** receive income or interest for an investment that used to be held in your **plan** after:

a) **you** have transferred your **plan** to another scheme; or

b) **you** have used the **plan** proceeds to buy an **annuity**;

we will forward that income or interest to the administrator of your new **scheme** (if they agree to accept it) or use it to provide **benefits** for **you** where, in either case, this would be cost-effective and practicable for **us**, acting on a reasonable basis.

Listed securities dealing on our investment management functionality

5.35 Dealing instructions for **listed securities** from your **financial adviser** or **discretionary investment manager** managing or administering assets on the **wrap platform** and using **Standard Life Savings**' separate investment management functionality will be grouped together with other clients of that **financial adviser** or **discretionary investment manager** trading in the same security in the same **wrap product**. These dealing instructions are pooled once a day and sent to our **execution-only stockbroker** for completion. The shares purchased will be disaggregated upon confirmation of the price received and the maximum number of shares the value of your order could have purchased will be allocated to **you**. For more information please see our order execution policy at www.standardlife.co.uk/wrapinfo, contact the **platform customer centre** or speak to your **financial adviser**.

Distressed investments

5.36 If an investment held in your **plan** can't be sold due to the investment provider experiencing financial or operational distress, default or bankruptcy, **we** will treat that investment as being 'distressed' and apply the following conditions:

a) If the investment provider can't give **us** an up-to-date value for the investment, or if the latest valuation is more than three months old, **we**'ll normally value that investment at £0.01 even where it's possible that the investment might have a residual value. This is to avoid your **plan** having an unrealistically high value. This will ensure that any charges **you** pay will reflect the distressed nature of the investments and will help **you** plan for retirement based on realistic expectations.

b) If **we** don't have an up-to-date value for the investment, **we**'ll not normally agree to sell the investment to anyone (other than back to the investment provider). That's because there are tax consequences if investments are not sold at their market value.

c) The charges described in section 10 apply whether or not an investment is distressed. **We** will continue to incur costs in administering your **plan**, particularly if the distressed investment is wound up due to liquidation or another similar procedure.

d) If **you** ask **us** to transfer the value of your **plan**, excluding the distressed investment, to another scheme, **we**'ll not normally agree to the transfer unless a sum equal to at least three years' worth of administration charges is also left in your **plan**. This is to cover our costs in administering the distressed investment.

e) If **you** ask **us** to transfer the value of your **plan** to another scheme **we** may not be able to do this because, for example, **we** may not be able to receive a cash value for the investment or the other scheme may not be prepared to accept an **in specie transfer payment**. In these circumstances the distressed investment will remain in your **plan** until the distressed nature of the investment ceases or until the distressed investment is fully wound up. Any further distributions, including distributions on winding up, will be applied to your **plan**.

6. SIPP cash account and portfolio cash accounts

6.1 **We** will pay all cash **transfer payments** and all payments to the **scheme** by **you** or your employer on your behalf, into your holding in the **SIPP cash account**, with one exception. If any part of a payment is to be invested in **Standard Life investment policy funds**, **we** will invest that part of the payment directly in your chosen **Standard Life investment policy funds**.

We, as the **scheme administrator**, use our own clearing account for payments into and out of the **scheme**. **We** also use one of our own accounts to hold any amounts that **we**, as the **scheme administrator**, have taken from the **SIPP cash account** to meet tax that **we** (or the **trustee**) are due to pay to **HMRC** (including tax on income payments). **We** will take the tax from the **SIPP cash account** (or your **Standard Life investment policy funds**) when **we** make the payment (or are treated as having made the payment) on which the tax is due.

6.2 a) The **SIPP cash account** is a deposit account held by the **trustee** but **we** operate the account on behalf of the **trustee**. The deposit account is a pooled account which means that it contains holdings for a number of SIPP **plans**. **We** will however keep a record of your holding in the **SIPP cash account** each day. If there's a shortfall and the bank(s) is unable to meet its financial obligations, your **plan** may be due a share of the shortfall. Please refer to our Guide on our website at www.standardlife.co.uk/investor-protection for details of our current bank providers.

Where **Standard Life Savings** chooses to make its separate investment management functionality available on the **wrap platform** and a **discretionary investment manager** or **financial adviser** manages or administers assets on the **wrap platform** using this functionality, they may hold cash in a **portfolio cash account**. Monies in a **portfolio cash account** are held in pooled bank accounts and may be invested in your **wrap SIPP**. Please see section 16 of the **client terms and conditions for wrap services** for details.

b) A specific rate of interest is applicable in respect of your holding in the **SIPP cash account**. **We** will retain the remainder (if any) of the interest earned on the **SIPP cash account** in the form of a cash management administration charge as part of our overall income under the **wrap SIPP** and **you** consent to this by agreeing to these **terms.** Please see Part 3 of the **charging schedule** and our website www.standardlife.co.uk/wrapinfo for details of the cash management administration charge and any cap on this that applies. The amount of interest that **we** retain as a cash management administration charge will be the total amount earned (if any) less the amount of interest that is due to **you** as set out in section 16 of the **client terms and conditions for wrap services**. The interest earned (if any) and the cash management administration charge will fluctuate regularly, but the rate will only change in accordance with section 6.9**.**

Balances in a **portfolio cash account** are subject to the same interest rates and will be charged the same cash management administration charges as the **SIPP cash account**.

The method of calculation and details of where you will find the applicable interest rate payable on your holding in the **SIPP cash account** and the **portfolio cash accounts** are on our website www.standardlife.co.uk/wrapinfo or will be available by contacting your **financial adviser** or **us** in accordance with section 18 of these **terms**.

We will give **you** at least 3 months' notice before reducing the minimum rate that **we** apply to your holding in the **SIPP cash account** and **portfolio cash accounts** as set out on our website www.standardlife.co.uk/wrapinfo.

The applicable rate of interest and the amount of the cash administration management charge may vary depending on the amount of money held in the **SIPP cash account** or in the **portfolio cash accounts**.

Any interest due will be calculated daily based on the closing cash account balances (as reflected on the **wrap platform**) of the **SIPP cash account** or the **portfolio cash accounts** that day. This is based on the **cleared funds** held in the respective account. Interest (if any) will be credited monthly in arrears.

c) Section 16 of the **client terms and conditions for wrap services** provides more information on how money held in the **SIPP cash account** or the **portfolio cash accounts** is dealt with. Please contact your **financial adviser** for further information.

What the SIPP cash account and a portfolio cash account is used for

6.3 **We** will take money from your holding in the **SIPP cash account** to:

a) pay your **benefits** and any taxes due under the **plan**;

b) pay a **transfer payment** to another scheme or comply with any **pension sharing order** (as explained in section 15.10) or any other court order; or

c) collect charges detailed in section 10 or pay expenses as detailed in these **terms** (including paying for any development of a property).

This section doesn't apply if your **plan** is fully invested in **Standard Life investment policy funds** since **we** will provide all the benefits and collect all the charges (except for the fund management charges described in sections 7.32 and 7.33) by unit cancellation. Neither does it apply if you have asked **us** to pay your benefits, collect the commission charges or pay a fee to your adviser by cancelling units from the **Standard Life investment policy funds** in your **plan** and the proceeds of the unit cancellation are sufficient to provide the benefit, charge or fee.

We will take money from your holding in a **portfolio cash account** to:

(i) buy investments for **you** within each **managed portfolio** or **advised portfolio** within your **wrap SIPP** in accordance with instructions placed by your **discretionary investment manager** or **financial adviser** (where your **financial adviser** uses **Standard Life Savings**' separate investment management functionality) and whether the purchase is done following a straight purchase instruction or includes switch instructions, described in section 8.12; or

(ii) pay the **portfolio manager fee** payable by **you** (please see section 10.13 b).

6.4 Unless **you** decide to use a **discretionary investment manager** to manage assets for **you** off the **wrap platform**, **we** use the **SIPP cash account** for your investment transactions.

We will take money out of your holding in the **SIPP cash account** when **we**:

- follow your instructions to buy investments;
- give money to a **discretionary investment manager** managing assets for **you** off the **wrap platform**.

We will add money to your holding in the **SIPP cash account** when **we**:

- receive the proceeds of the sale of an investment or money from a **discretionary investment manager** managing assets for **you** off the **wrap platform**;
- receive income or interest from your investments; and
- receive tax reclaimed on your investments.

If **you** don't give **us** investment instructions, the money will stay in your holding in the **SIPP cash account**.

We will add money to your holding in a **portfolio cash account** when **we**:

(i) receive the proceeds of the sale of any of the investments within the **managed portfolio** or **advised portfolio** held within your **wrap SIPP** in accordance with instructions placed by your **discretionary investment manager** or **financial adviser** (where your **financial adviser** uses **Standard Life Savings'** separate investment management functionality) and whether or not the sale is done following a straight sale instruction or a switch instruction, described in section 8.15; or

(ii) receive income from the investments held within the **managed portfolio** or **advised portfolio** within your **wrap SIPP**.

If your **discretionary investment manager** or your **financial adviser** doesn't give **us** any investment instructions, money will stay in each **portfolio cash account**.

Keeping your holding in the SIPP cash account and portfolio cash accounts sufficient at all times

6.5 **You** need to keep sufficient funds in the **SIPP cash account** and each **portfolio cash account** to meet expected payments (including making any new investments, paying interest on loans or paying income to **you**). If the money isn't in the account, **we** may not be able to make the payments or buy the investments. This is because the **SIPP cash account** and **portfolio cash accounts** are deposit accounts and so can't be overdrawn.

Your **beneficiary** will also need to make sure that there are sufficient funds in their holding in the **SIPP cash account** to pay them any relevant **benefits**. Your **financial adviser** must use the **wrap platform** to sell investments on your behalf to make sure that **you** have sufficient funds in the **SIPP cash account** to meet the requirements set out in section 6.3.

6.6 Where **we** have to sell investments to meet the requirements set out in section 6.3:

a) **we** will cancel units proportionately from all the **Standard Life investment policy funds**, **mutual funds** or investments held within a **managed portfolio** or **advised portfolio** held on the **wrap platform** that are held in your **plan**;

b) if this produces an insufficient amount, **we** will sell investments from your **plan** on the basis described in section 6.7; and

c) **we** will deduct our transaction charge as explained in section 10.9.

If **you** have both a **savings investment mix** and a **drawdown investment mix**, the above steps will change the investments held in both mixes but **we** will only deduct any charge or payment from the relevant **pre** or **post pension date account(s)**.

Please refer to section 19.19 of the **client terms and conditions for wrap services** for what **we** will do if your holding in a **portfolio cash account** is not sufficient. **We** may decide not to contact **you**, your **financial adviser** or the **discretionary investment manager** before **we** do so. In order to avoid repeating this process too frequently, **we** may raise a greater sum than the amount outstanding. Please ask your **financial adviser** or the **platform customer centre** for more information.

6.7 Where **we** have to sell investments in terms of paragraph b) of section 6.6 to meet the requirements set out in 6.3, **we** will:

a) sell a proportion of every investment held for **you** under the **plan** for which a partial sale is possible, excluding commercial property or traded endowment policies (since they're not liquid assets);

b) once **we** have sold all the investments for which a partial sale is possible under the **plan**, **we** will sell the other investments on a 'last bought, first sold' basis, excluding commercial property or traded endowment policies;

c) if commercial property and traded endowment policies are the only investments held for **you**, **we** will sell the traded endowment policies on the 'last bought, first sold' basis; and

d) if commercial property is the only investment held for **you** and the rental income from the property is insufficient to provide the **benefit** or the charge, **we** will sell the property. If commercial property is the only investment held for **you** and **we** need to collect a charge, **we** will offer **you** the option to make a payment into your **plan**, or to pay **us** direct, to cover the charge instead of selling the property. If this applies, there will also be a billing charge to cover our reasonable costs.

6.8 Where there's insufficient cash in your holding in the **SIPP cash account** to pay a charge or an income payment, **we** reserve the right to sell assets of greater value so that **we** don't have to repeat these sales too frequently. **You** can get details of how **we** calculate this greater value from your **financial adviser**.

6.9 **We** may make changes to the rates of interest (including any method of interest rate calculation and/or any threshold amounts **we** use to decide which method of interest rate calculation or interest rate is applicable to **you**) and therefore the corresponding cash management administration charge.

We may do this without giving **you** or your **financial adviser** any prior notice, provided that there is a valid reason for making such a change and the change is proportionate and reasonable under the circumstances. Valid reasons for making changes include:

a) following, or in anticipation of, and to respond proportionately to a change in any relevant law or decision of the Financial Ombudsman Service, to meet any regulatory requirement or to reflect new industry guidance or any relevant code of practice;

b) to proportionately reflect other legitimate cost increases or reductions associated with our provision of the **wrap SIPP** to you, or responding to the costs or consequences of any event beyond our control that may impact our provision of the **wrap SIPP** to **you**;

c) if the change is favourable to **you**; or

d) to allow **us** to respond proportionately to the Bank of England's base rate (or any rate that replaces it, or the rate set by any bank that takes over responsibility for setting such a rate), other specified market rates or indices or tax rates.

We would not expect to give **you** or your **financial adviser** any personal notification of changes where **we** change rates of interest and/or the cash management administration charge due to any of the valid reasons listed above or **we** increase the cash management administration charge but so that it is no more than the rate set out in Part 3 of the **charging schedule**. Instead, changes will be notified by the rates being updated on our website www.standardlife.co.uk/wrapinfo

6.10 Subject to section 6.9, **we** will notify your **financial adviser** (or **you** where **you** do not have a **financial adviser**) where **we** make any change to the rates of interest (including the method of interest rate calculation and/or any threshold amounts **we** use to decide which method of interest rate calculation or interest rate is applicable to **you**) and/or the cash management administration charge.

7. Standard Life Investment Policy

7.1 The Standard Life Investment Policy is a master policy which The Standard Life Assurance Company issued to the **trustee** as policyholder. The **insurer** of the Standard Life Investment Policy is now Standard Life Assurance Limited.

7.2 The Standard Life Investment Policy allows **members** of the **scheme** to invest in a range of the **insurer's** funds (the '**Standard Life investment policy funds**') including funds managed by the **insurer** ('**internal funds**') and funds managed by **external fund managers** ('**external funds**'). The **insurer** will keep a separate record of the amount that it is due to pay to each **member** of the **scheme** who chooses to invest in the policy.

The funds available under the **wrap SIPP** are Series B funds.

Each **Standard Life investment policy fund** has a separate pool of assets and is divided into **units**. The **insurer** uses the **units** of both **internal** and **external funds** for the sole purpose of working out how much it will pay on claims under your **plan**, under the **plans** of other **members** of the **scheme** and by other policyholders using the same fund. The assets in each **Standard Life investment policy fund** are owned by the **insurer** and, although policyholders have claims to money, they have no rights to particular assets or the proceeds of those assets.

Both **internal** and **external funds** may include money that the **insurer** holds for administrative reasons and the **insurer** may borrow money for both types of fund. **You** can ask your **financial adviser** for a copy of the **insurer's** leaflet 'Understanding unit-linked funds' (GEN569), if **you** would like more information on how **Standard Life investment policy funds** work.

Internal funds

7.3 For an **internal fund**, the **insurer** sets the investment objectives of the fund and makes the investment decisions for that fund within those objectives. The **insurer** will, in normal investment conditions, give **you** at least 30 days' notice if it intends to make a material alteration to the investment objectives of an **internal fund** and **you** are invested in that fund.

External funds

7.4 For an **external fund**, the **insurer** can use an **external fund manager** in three ways:

a) the **insurer** may buy **units** in the **external fund manager**'s **mutual fund** (and this could include a **mutual fund** provided by a company in the **Standard Life Aberdeen group**);

b) the **insurer** may use an **external fund manager's** insured fund; or

c) the **insurer** may instruct an **external fund manager** to manage funds held in the Standard Life Investment Policy.

In this way, **you** have access to the services of another fund manager without having to invest in a separate product. **You** don't invest directly in an **external fund manager's** fund.

An **external fund** may also include some money that the **insurer** holds for administrative reasons.

7.5 When your **financial adviser** instructs **us** on your behalf to buy and sell **units** in a **Standard Life investment policy fund** which is invested in a **mutual fund** managed by an **external fund manager**, the underlying **units** will be bought, held and sold subject to the **terms** set out in that **external fund manager's** fund **prospectus**.

7.6 Where a **Standard Life investment policy fund** is invested in a **mutual fund** managed by an **external fund manager**, the **prospectus** of the **external fund manager's** fund may allow the **external fund manager** to make changes to this fund (for example, closing, winding up or dividing the **external fund manager's** fund) as set out in the **external fund manager's** fund **prospectus**. For full details please refer to the **external fund manager's** fund **prospectus** which is available from your **financial adviser**. Where a **Standard Life investment policy fund** is invested in an **external fund manager's** fund and the **external fund manager** fails to administer the **mutual fund** in accordance with the **mutual fund's prospectus** the **insurer** will not make good any loss that arises. The **insurer** also won't make good any loss that **you** might suffer as a result of a decision made by the **external fund manager** in terms of the fund **prospectus**.

Available funds

7.7 **You** can ask your **financial adviser** or check the **wrap platform** for a list of the **Standard Life investment policy funds**. **You** must ask your **financial adviser** to use the **wrap platform** to make your fund selections.

7.8 To protect the interest of existing investors, a **Standard Life investment policy fund** may not be available for a temporary period.

7.9 The maximum number of **Standard Life investment policy funds** that **you** can be invested in at any one time under the Standard Life Investment Policy is 11 (or 12 if your investment in the Standard Life Investment Policy is your only investment under the **scheme**).

7.10 To run funds efficiently or to meet market needs, the **insurer** can divide a **Standard Life investment policy fund** into more than one fund or combine two or more funds into one fund. If a fund that you are invested in is being divided or combined, **you** will normally get 3 months' notice.

Closing or winding-up a fund

7.11 For commercial reasons (including those specified below) it is necessary for the **insurer** to be able to:

a) close a **Standard Life investment policy fund** to new investments (so that no new **units** in the fund are sold to investors) to protect the interests of existing unitholders under the fund;

b) wind up a **Standard Life investment policy fund** (so that the fund no longer exists), for example where the fund is no longer commercially viable; and

c) impose other investment restrictions, where this is required to protect the interests of existing unitholders under the fund.

7.12 If a fund that **you** are invested in is being closed or wound up, **you** will normally get 3 months' notice. **You** may receive less notice (or, in exceptional circumstances, no notice) if the **external fund manager** closes or withdraws their funds, or a shorter period (or no notice) is necessary to protect the interests of the unitholders with **units** in that fund.

7.13 When **you** are told that a **Standard Life investment policy fund** is being closed to new money or wound-up, **you** will be able to notify **us**, via your **financial adviser**, of any alternative funds or assets into which **you** would like to direct any existing and/or future investment. If **we** have not heard from your **financial adviser** by the end of the notice period, the **insurer** will direct any existing and/or future investment into an alternative **Standard Life investment policy fund**. In choosing the alternative **Standard Life investment policy fund**, the **insurer** will consider which fund has, in the **insurer's** opinion, the closest investment objectives to the fund being closed or wound-up bearing in mind the charges and volatility rating for the fund being closed or wound-up.

7.14 If a **Standard Life investment policy fund** is being wound-up, the **insurer** will switch any existing **units** invested in that fund to the fund that was selected by the method explained in section 7.13 above.

Valuing funds and setting the unit prices

7.15 The Standard Life Investment Policy describes how the **Standard Life investment policy funds** are valued. The **insurer** values a **Standard Life investment policy fund** on each **business day**. It can do so on a maximum ('cost to purchase') basis or on a minimum ('proceeds of sale') basis.

In valuing a fund on a **business day**, the **insurer** bases the value of the fund on the values of the assets in that fund. The **insurer** also allows for any money in the fund (or borrowed by the fund) and income and expenses due but not yet paid.

7.16 In valuing assets in an **internal fund**, the **insurer** uses prices quoted on the relevant stock exchange, property valuations or its assessment of a fair value depending on the assets in that fund. The **insurer** will deduct its management charge (see section 7.32) and some fees and expenses out of the assets of **internal funds** before setting the unit price.

7.17 In valuing assets in an **external fund**, the **insurer** uses the pricing information provided by the **external fund manager** which will allow for the deduction of the **external fund manager's** charges and the fees and expenses paid by the **external fund manager** out of the assets of their funds. The **insurer** will also deduct its management charge (see section 7.32).

7.18 Once the **insurer** has valued a **Standard Life investment policy fund** on a **business day**, it will use the value as the basis for setting the **unit** price for the following **business day** (and any non-business days before that day). The Standard Life Investment Policy describes how the maximum and minimum values of a fund can be used to calculate maximum or minimum **unit** prices. The **insurer** can use the maximum or the minimum value or a value between those two values to maintain fairness between unitholders joining, unitholders remaining in and unitholders leaving that fund. The **insurer** will divide the value of the fund on the basis that it has chosen by the total number of **units** to get the **unit** price for a **unit**.

For further information, please ask your **financial adviser** for a copy of the **insurer's** leaflet 'Understanding unit-linked funds' (GEN569).

7.19 The **insurer** can suspend the valuation of a fund to maintain fairness between unitholders joining, unitholders remaining in and unitholders leaving that fund. This could occur where, for example, prices are not available from a relevant stock market or its supplier doesn't provide the prices in time.

Allocating and cancelling units

7.20 The Standard Life Investment Policy describes the principles that the **insurer** will use to work out which unit prices to use to allocate or cancel **units** in **Standard Life investment policy funds** in particular circumstances. The purpose of the principles is to balance the interests of unitholders remaining in, joining and leaving funds with the interests of the **insurer**. The **insurer** may change the principles and may, for example, start to use a price set after a premium is paid ('forward price') rather than a price set before the premium is paid ('historic price'). Section 7.32 explains when the **insurer** may have to cancel and re-allocate units if a pricing error occurs.

7.21 Where the **insurer** is to allocate **units** in a **Standard Life investment policy fund**, the **insurer** divides the amount available by the appropriate **unit** price of that fund to arrive at the number of **units** to be allocated. The **insurer** allocates **units** in a **Standard Life investment policy fund** to the nearest 1/1000th of a **unit**. It will meet the cost of rounding up and keep any money left over after rounding down.

7.22 Where the **insurer** is to cancel **units** in a **Standard Life investment policy fund** to provide benefits, to pay charges or for reinvestment, the **insurer** multiplies the number of **units** by the appropriate **unit** price of that fund to arrive at the amount available. The **insurer** cancels **units** from each **Standard Life investment policy fund** to the nearest 1/1000th of a **unit**. It will meet the cost of rounding down and keep any money left over after rounding up. For further information, please ask your **financial adviser** for a copy of the **insurer's** leaflet 'Understanding unit-linked funds' (GEN569).

7.23 The timescales for instructions being placed with the **insurer** to buy or sell **Standard Life investment policy funds** are set out in section 12.1 of the **client terms and conditions for wrap services**. However, as explained in sections 7.24 and 7.28 to 7.30, there can be some circumstances where transactions can be delayed. For further information, please ask your **financial adviser** for a copy of the **insurer's** leaflet on 'Understanding unit-linked funds' or, for an **external fund** using a **mutual fund**, the relevant **mutual fund prospectus**, which is usually available on the **external fund manager's** website.

Delaying unit cancellation

7.24 The **insurer** can delay cancelling **units** held for **you** if it is necessary to maintain fairness between unitholders remaining in a fund and unitholders leaving a fund. 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, the **insurer** can delay the cancellation of the **units** held for **you** for up to one month or, where the **units** relate to a fund that invests directly or indirectly in buildings or land, for up to six months. If the cancellation involves an **external fund** (or **blended fund**) and the **external fund manager** delays the cancellation, the **insurer** can delay the cancellation until it receives the proceeds of the related **units** in the **external fund manager's** fund. If the **insurer** delays the cancellation, it will use the **unit** prices that apply on the day on which the cancellation actually takes place.

Switching between Standard Life investment policy funds or for reinvestment

7.25 Your **financial adviser** can instruct **us** on your behalf to switch your investments between the **Standard Life investment policy funds** that are available on the **wrap platform**. Section 7.34 explains when the **insurer** might charge for these switches. Switches can result in assets being purchased or sold in the fund concerned and this can impact on other unitholders in that fund. If, in the **insurer's** reasonable opinion, **you** are switching in and out of particular funds to attempt to make short–term gains on your investments, the **insurer** reserves the right to remove or restrict your access to these funds under your **plan**. The **insurer** will give **you** one month's notice before doing so.

7.26 Your **financial adviser** can also instruct **us** on your behalf to cancel **units** in a **Standard Life investment policy fund** and pay the proceeds into the **SIPP cash account** where they would be available for reinvestment.

7.27 The timescales for instructions being placed with the **insurer** in relation to **Standard Life investment policy funds** are set out in section 12.1 of the **client terms and conditions for wrap services**. However, as explained in sections 7.24 and 7.28 to 7.30, there can be some circumstances where transactions can be delayed. For further information, please ask your **financial adviser** for a copy of the **insurer's** leaflet 'Understanding unit–linked funds' (GEN569) or, for an **external fund** using a **mutual fund**, the relevant **mutual fund prospectus**, which is usually available on the **external fund manager's** website.

7.28 Switching instructions which involve both: (i) cancelling or allocating **units** in **Standard Life investment policy funds**; and (ii) buying or selling other investment types, may cause delays. **We** will carry out such an instruction as soon as reasonably practicable, but cannot guarantee it will be completed within the timescales set out in section 12.1 of the **client terms and conditions for wrap services**. **You** should contact your **financial adviser** if you are concerned about a particular transaction.

Bulk instructions

7.29 The **wrap platform** allows your **financial adviser** to place 'bulk' instructions to sell, switch or rebalance investments on behalf of multiple clients at the same time. **You** can find more information on switching and re–balancing in sections 12.26 and 12.27 and on bulk transactions in section 12.28 of the **client terms and conditions for wrap services**.

7.30 The aim is to ensure that all instructions, including bulk instructions, are executed within the timescales set out in section 12.1 of the **client terms and conditions for wrap services**. However, processing particularly large bulk instructions may cause delays in buying and selling investments. This means **we** and **Standard Life Savings** can't guarantee that bulk instructions will be executed within the time periods set out and **we** and **Standard Life Savings** won't be liable to **you** for any loss or expense **you** suffer as a result of our failure to do so. **You** should contact your **financial adviser** for more information, or if **you** are concerned about a particular transaction.

Errors in setting the unit price

7.31 It is a complex process to value funds and set **unit** prices so errors can occur.

If the error is material, the **insurer** will aim to put unitholders back, as closely as the **insurer** can, into the position that the unitholders would've been in if the error hadn't been made. This involves a change to the historic prices. The **insurer** will normally cancel transactions that stem from the use of the incorrect price and then re–do those transactions using the corrected price. This can result in an increase or decrease to the number of **units** allocated under the policy to a **member**. Where this isn't practical, the **insurer** will calculate the amount required to put a **member** into the position that they would've been in if the error hadn't been made and either allocate (or cancel) the appropriate number of **units** or add to (or deduct from) their holding in the **SIPP cash account**. This is similar to the process that the **insurer** would use for any other error.

If the error isn't material, the **insurer** won't normally change historic prices or the number of units allocated under the policy to a **member**. The **insurer's** leaflet on 'Understanding unit–linked funds' contains information on how the **insurer** assesses whether or not an error is material. **You** can ask your **financial adviser** for a copy of the **insurer's** leaflet.

Charges

7.32 The **insurer** will deduct a management charge for each day from each **Standard Life investment policy fund**. The charge is deducted before the **unit** price is set. The management charge for each day is a percentage of the fund divided by 365 (366 in a leap year).

You can find out the annual rate of the management charge that applies to each **Standard Life investment policy fund** from your **financial adviser**. For an **external fund** (or **blended fund**), the annual rate allows for the **external fund manager's** charges.

You can find an example of how the management charge is calculated on a daily basis in Annex 2 of these **terms**.

The **insurer** (or the **external fund manager**) will also deduct operating expenses from the fund. These operating expenses vary over time and the current estimated amount of these deductions is shown as 'Additional expenses.' For further information ask your **financial adviser** for a copy of the **insurer's** leaflet 'Understanding unit-linked funds' (GEN569).

7.33 The **insurer** has the right to increase the management charge which applies to each **Standard Life investment policy fund**. Increases will reflect increases in the **insurer's** overall costs (or changes in the assumptions that it makes) in providing the full range of Series B funds available under the Standard Life Investment Policy or, if the increase relates to funds of a particular type or an individual fund, an increase in the **insurer's** costs (or a change in assumptions) for that type of fund or individual fund. It may also increase the charges on a **Standard Life investment policy fund** which is an **external fund**, to reflect increases in the costs in running such a fund or increases to the **external fund manager's** charges or fees. Any increases in charges will not increase the profit margins of the **insurer** above reasonable levels.

The **insurer** will give **you** 3 months' notice before it increases the management charge of a fund that **you** invest in. Where the **insurer's** fund is invested in a fund managed by an **external fund manager**, the **insurer** may not be able to give **you** 3 months' notice of an increase in the **external fund manager's** charge but the **insurer** will notify **you** as soon as is reasonably practicable after it is informed of the increase.

7.34 The **insurer** won't normally charge for a switch between the funds available under the Standard Life Investment Policy, but it reserves the right to charge **you** a switching fee if:

a) in our reasonable opinion, **you** are using the switch option to attempt to make short term gains on your investments; and

b) the fund that **you** are switching into or out of invests in **units** of an **external fund manager** and that **external fund manager** charges the **insurer** for the transaction.

It is, however, 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 **Standard Life investment policy funds** on your behalf, or for any other grounds mentioned in section 10.20. This charge would be set in line with the factors explained in sections 10.16 to 10.19. If **we** do introduce such a charge, **we** will give **you** 3 months' notice in accordance with section 18.5.

Assigning the Standard Life Investment Policy

7.35 The Standard Life Investment Policy is a master policy and not an individual policy held on your behalf. This means that **you** can't ask the **trustee** to assign the Standard Life Investment Policy to the trustees of another scheme.

8. Mutual funds on the wrap platform

Mutual fund prospectus

8.1 Each **mutual fund** is divided into **units**. When your **authorised person** gives an instruction on your behalf to buy and sell **units** in a **mutual fund**, these **units** will be bought, held and sold subject to the terms set out in that **mutual fund's prospectus**. The **trustee** owns the **units** and holds them to provide your **benefits**. A **mutual fund's prospectus** may allow the **manager** to make changes to a **mutual fund** (for example, closing, winding up or dividing the **mutual fund**) as set out in the **mutual fund's prospectus**. For full details please refer to the **mutual fund's prospectus** which is available from your **authorised person**. Where the **manager** fails to administer a **mutual fund** in accordance with the **mutual fund's prospectus**, **we** and **Standard Life Savings** will not make good any loss that arises. **We** and **Standard Life Savings** also won't make good any loss that **you** might suffer as a result of a decision made by the **manager** in terms of the **mutual fund's prospectus**.

8.2 Your **authorised person** can use the **wrap platform** to instruct **Standard Life Savings** to buy and sell the **units** on behalf of the **trustee**. **Standard Life Savings** will follow the instructions to buy or sell **units** as soon as is reasonably practicable (see sections 8.7 to 8.13).

A **mutual fund's prospectus** may, however, allow the **manager** to delay a sale or purchase (or suspend all sales and purchases) of the **units** in that **mutual fund**.

8.3 There is no minimum amount for investment in a **mutual fund** on the **wrap platform**. However, some **mutual funds** may set a minimum value of **units** that can be sold and a minimum value which must be retained after sale. Please ask your **authorised person** for more information.

8.4 The investment decisions for each **mutual fund** are made by the respective **manager** of each **mutual fund** and any investment restrictions for each **mutual fund** are listed in the relevant **mutual fund's prospectus**. For more information, please contact your **authorised person** who will be in a position to provide **you** with the latest **prospectus** for each **mutual fund** or **mutual funds** that **you** are interested in.

Valuing funds

8.5 Prices of **units** of **mutual funds** are based on the value of the underlying assets in each **mutual fund**. **You** can find the most recently published price for the **mutual funds** in which **you** can invest via the **wrap platform** by contacting your **authorised person**. **You** should remember that all prices are historic prices and are not, therefore, prices at which **Standard Life Savings** is able to deal.

8.6 The price of the **units** purchased or sold will reflect the price available from the **manager** of the **mutual funds** at the **pricing point**. The **manager** will calculate the price in terms of the **mutual fund's prospectus**.

Buying and selling units

8.7 When your **authorised person** gives an instruction on your behalf to buy **units** in a **mutual fund** these **units** will be bought from the **manager** of that **mutual fund**. The price of the **units** is determined as explained in sections 8.5 and 8.6. For more details ask your **authorised person** to show **you** the **prospectus**. The payment for your purchase will be made out of your holding in the **SIPP cash account** or from a **portfolio cash account** where **units** are bought within a **managed portfolio** or **advised portfolio** by your **authorised person** (using **Standard Life Savings**' separate investment management functionality).

8.8 When your **authorised person** gives an instruction on your behalf to sell **units** in a **mutual fund** these **units** will be sold to the **manager** of that **mutual fund**. The price of the **units** is determined as explained in sections 8.5 and 8.6. For more details ask your **authorised person** to show **you** the **prospectus**. The proceeds will be added to your holding in the **SIPP cash account** unless your **authorised person** has instructed otherwise or added to a **portfolio cash account** where **units** are sold within a **managed portfolio** or **advised portfolio** by your **authorised person** (using **Standard Life Savings**' separate investment management functionality).

Switching between mutual funds

8.9 Your **authorised person** can give an instruction on your behalf to switch your investments between **mutual funds**. **We** will not charge for a switch between the **mutual funds** available from the **wrap platform**, but, if a **manager** of a **mutual fund** imposed any exit fee or similar charge for a switch, **we** will pass these on to **you**.

8.10 **Units** will be sold and purchased at the prices available from the **managers** of the relevant **mutual funds** at the appropriate **pricing point**. When a switch is carried out, investment monies may be temporarily uninvested ('out of the market') for the days between when the sell deals are placed and the subsequent buy deals are placed. During this time, **unit** prices may rise or fall, so the number of **units** that can be purchased may be more or less than could have been purchased had your money not been temporarily uninvested. A sell deal cannot be placed for **units** recently purchased until the **units** have been credited to your **plan**.

Instructing the purchase, sale or switch of units

8.11 The aim is to place every instruction with the person who is responsible for executing it as soon as is reasonably practicable after receiving it subject to cleared funds being available. The timescales for instructions being placed are set out in in section 12.1 of the **client terms and conditions for wrap services**.

8.12 Where **you** give an instruction to switch between **mutual funds**, **Standard Life Savings** will instruct the sale of **units** as described in section 8.11. **Standard Life Savings** will use the proceeds of the sale of these **units** to purchase **units** in the **mutual funds** that **you** have instructed **Standard Life Savings** to switch your investments to in accordance with the timescales set out in in section 12.1 of the **client terms and conditions for wrap services**. As explained in sections 7.24 and 8.2, the **insurer** of the **Standard Life investment policy funds** or the **manager** of the **mutual funds** concerned may, in some circumstances, be allowed to suspend or delay transactions. For more information on these issues, please refer to the **insurer's** leaflet 'Understanding unit-linked funds' (GEN569), or the relevant **mutual fund prospectus**, which you can get from your **authorised person**.

8.13 Switching instructions which involve buying or selling both **mutual funds**, and other investment types, may cause delays. Such an instruction will be carried out as soon as reasonably practicable, but **we** and **Standard Life Savings** cannot guarantee it will be completed within the timescales set out in section 12.1 of the **client terms and conditions for wrap services**. **You** should contact your **financial adviser** if **you** are concerned about a particular transaction.

Bulk instructions

8.14 The **wrap platform** allows your **financial adviser** or (where **Standard Life Savings** chooses to make its separate investment management functionality available) your **discretionary investment manager** managing or administering assets on the **wrap platform** to place 'bulk' instructions to sell, switch or rebalance investments on behalf of multiple clients at the same time. **You** can find more information on switching and re-balancing in sections 12.26 and 12.27 and on bulk transaction in section 12.28 of the **client terms and conditions for wrap services**.

8.15 The aim is to ensure that all instructions, including bulk instructions, are executed within the timescales set out in section 12.1of the **client terms and conditions for wrap services**. However, processing particularly large bulk instructions may cause delays in buying and selling investments. This means **we** and **Standard Life Savings** can't guarantee that bulk instructions will be executed within the time periods set out and **we** and **Standard Life Savings** won't be liable to **you** for any loss or expense **you** suffer as a result of our failure to do so. **You** should contact your **financial adviser** for more information, or if **you** are concerned about a particular transaction.

9. Property

9.1 If **we** and the **trustee** agree to the purchase, (please refer to section 5.3 for more details on the factors affecting the **trustee's** decision making process), your **plan** can invest in commercial property in the **UK**.

You are relying on your own assessment of the likely investment performance of the property or its suitability for your **plan**. In agreeing to a property purchase, neither **we**, as the **scheme administrator**, nor the **trustee** are expressing an opinion on these matters.

To begin the process **you** must read our Commercial Property Guide and then complete our property information questionnaire.

Our requirements are that:

a) a valuation report is instructed by **us** (though **you** may suggest a valuer);

b) the valuation is examined by our appointed environmental specialist who may recommend that **we** instruct a surveyor to conduct an environmental survey of the property;

c) all legal work is done by our appointed firm of solicitors;

d) if a property is purchased, it will be managed by a property management company appointed by **us**; and

e) any property insurance is taken out with an insurer chosen by **us**.

The cost of the valuation report is normally deducted from the **plan** and the charges for the professional work listed above are explained in sections 10.53 to 10.56.

9.2 **We** may allow your **plan** and the **plans** of one or more **members** of the **scheme** to invest in the same property. These are known as 'syndicated purchases' and **we** may require the **members** involved in the purchase to enter into a 'syndicate agreement' setting out, for example, what happens if a **member** wants to sell their share of the property or if the sale of their share is necessary to pay **benefits** or repay a loan.

9.3 The **trustee** won't buy any property from **you**, or from anyone connected with **you**, unless the purchase is on normal commercial terms. For more information on this issue, please see our Commercial Property Guide which **you** can obtain from your **financial adviser**.

Charges

9.4 **We** list the charges that apply to property investment in sections 10.47 to 10.59. **You** can obtain our Commercial Property Guide setting out the current level of these charges from your **financial adviser**. **We** will collect these charges from your holding in the **SIPP cash account**.

9.5 If the purchase of the property doesn't go ahead, **we** won't refund the property set up charge (see section 10.52) and your **plan** will be charged for all the expenses incurred, including the cost of searches, surveyor's fees, environmental reports and the solicitors' time.

Borrowing

9.6 The **trustee** can set up a borrowing arrangement for your **plan** to finance the purchase or development of a commercial property, or to pay for any VAT arising from the purchase of such a property. If the trustee does so and the lender makes a charge for arranging the mortgage, **we** will deduct that charge from the **plan**. The liability of the **trustee** under the borrowing arrangement must be limited to the value of your **plan** or, if the borrowing arrangement relates to a purchase or development of a commercial property for a number of **members** (a syndicated purchase), to the value of the property.

9.7 All borrowing must be:

a) within the limits set out in section 182 of the Finance Act 2004;

b) on commercial terms; and

c) repaid in full after the property is sold.

Section 182 of the Finance Act 2004, mentioned above, sets out limits to the amount a **registered pension scheme**, such as the **scheme** can borrow without having to pay an additional tax charge. It is based on a complicated technical equation involving the borrowings and assets of your **plan**.

9.8 Where the **trustee** borrows money for your **plan** to pay any VAT arising from the purchase or development of a commercial property held in your **plan**, the loan must normally be repaid:

a) within 12 weeks after the date the purchase or development is completed or, if earlier

b) by the date on which the amount of the VAT is refunded to the **trustee**.

This is only an indication of the terms generally applicable. Please check the specific terms of the borrowing arrangement set up by the **trustee** on your behalf.

Leasing

9.9 If the **trustee** buys a property that's leased to:

a) **you** (or **you** and your business partners) for the purposes of your trade or profession, or

b) a company that's connected to **you**, for the purposes of a business carried on by that company (for more information on this issue, please see our Commercial Property Guide which **you** can obtain from your **financial adviser**),

then the lease must be granted on normal commercial terms and the rent payable under the lease must be at a commercial rate supported by an independent professional valuation.

Selling property

9.10 If your **plan** is invested in property when **you** die, **we** will sell the property (or your share of the property) if the proceeds are required to fund the death benefits.

9.11 **We** will charge your **plan** for the costs involved in selling the property.

10. Charges

10.1 This section describes all the types of charges that may apply to your **plan**. The charges payable by **you** depend on the charges applied by **us**, by **Standard Life Savings** for the provision and administration, to **us**, of the **wrap platform**, the investments **you** choose to invest in and hold in your **plan** and the adviser charges or commission **we** pay to your **financial adviser**. The charges (except charges payable outside your **plan**, for example adviser charges payable from your **wrap cash account**) will be shown in your **personal illustration** and will be made up of some or all of the types of charges described in this section 10, depending on the investments **you** make and hold in your **plan**. **You** can obtain information on the current level of each of these charges from the **charging schedule** which is Annex 1 to the **client terms and conditions for wrap services**, your **financial adviser** or from the **wrap platform**. If **we** or **Standard Life Savings** are unable to collect a charge or to recover our costs from your **plan**, **we** will contact your **financial adviser** to discuss how this issue can be resolved. **We** will invoice **you** for payment where necessary.

Standard Life Investment Policy

10.2 Sections 7.32 and 7.33 describe the management charges that apply to the **Standard Life investment policy funds** and the basis on which they can be increased. Section 7.34 describes when a switch charge may apply.

Mutual funds traded on the wrap platform

Management charges

10.3 Each **manager** of a **mutual fund** that's traded on the **wrap platform** collects an annual management charge to pay for the services it provides. This charge is normally applied each **business day** after the **mutual fund** has been valued and before the unit price is set. Each **manager** may also deduct charges and expenses from their **mutual fund(s)**. **You** can find out the annual management charge (and any **additional charges** and expenses) applying to a particular **mutual fund** in the **prospectus** for that fund which is available from your **financial adviser**.

10.4 The **manager** of a **mutual fund** may increase or reduce their annual management charge in terms of their **prospectus**. When **we** are informed, your **financial adviser** will be notified of the change through the **wrap platform**.

Administration charges

10.5 **We** make an 'initial administration charge' when **you** first invest in any assets that aren't:

a) **Standard Life investment policy funds**;

b) **mutual funds** traded on the **wrap platform**;

c) cash held in the **SIPP cash account**; or

d) investments within a **managed portfolio** or **advised portfolio** (where your **financial adviser** uses **Standard Life Savings'** separate investment management functionality).

This charge will only be applied once regardless of the investments **you** subsequently hold.

10.6 If, at any time in the previous 12 months, the investments held in your **wrap SIPP** have included assets not listed in section 10.5, **we** will make a 'yearly administration charge' on the **yearly charge date**.

Pension fund withdrawal charge

10.7 Once **you** have applied a **pension date** to any part of your **plan** to take income drawdown (including £0 income), **we** make a 'pension fund withdrawal charge' on the **yearly charge date** if, at any time in the previous 12 months, **you** have been invested in any assets that aren't listed in section 10.5 above.

If **you** use all of your **post pension date accounts** to buy an **annuity** or **you** transfer all of those **accounts**, **we** will still make this charge on the next **yearly charge date** if **you** have any **pre pension date accounts** under the **plan**. If **you** don't have any **pre pension date accounts** under the **plan**, **we** will make the full charge on the date that the **annuity** is bought or the transfer is made.

10.8 A 'pension fund withdrawal charge' is in addition to the 'yearly administration charge'.

Transaction charges

10.9 **We** make a 'transaction charge' for buying and selling investments. This charge will apply each time your **financial adviser** instructs any transaction, for example, where your **financial adviser** places a trade with our appointed **execution–only stockbroker**. It will also apply each time **we** receive the proceeds of an investment because it has reached its maturity date or is being wound up. However, **we** do not make a transaction charge for buying and selling **Standard Life investment policy funds** or **mutual funds** traded on the **wrap platform**, or for moving money into or out of the **SIPP cash account**.

Different transaction charges apply to the buying and selling of different types of investments. **We** may cap the total amount of the transaction charges **we** will make in a year on particular types of investments. For more information, please see the **charging schedule** which is contained in the **client terms and conditions for wrap services** and is also available from your **financial adviser**.

10.10 If your **financial adviser** uses our appointed **execution–only stockbroker** to place your trades (as explained in sections 5.15 to 5.18) **you** will also have to pay their charges. The 'capping' of our transaction charge mentioned above does not apply to the charges made by our appointed **execution–only stockbroker**.

10.11 **We** will also apply a transaction charge for transferring the ownership of an asset from the **trustee** to the trustees of another scheme if **you** ask for an **in–specie transfer payment** under section 15.9.

Valuation charges

10.12 **We** make a 'valuation charge' if **you** ask **us** for the current value of an asset held off the **wrap platform** and **we** have to contact the asset provider for an up–to–date valuation. If the asset provider charges **us** for the valuation, **we** will also pass that charge on to **you**. **We** won't charge **you** for our standard yearly valuation or, when **we** receive a valuation from the asset provider, for updating our records.

Investment manager charges

10.13 Where **you** appoint a **discretionary investment manager** to:

a) manage assets off the **wrap platform**, **we** make a yearly 'investment manager charge' for each **discretionary investment manager** (including those providing an advisory service) that **you** appoint. **We** will collect a proportion of the charge on the day of the appointment and the full charge on each **yearly charge date** from then on. (The proportion will be the period of days from the date of appointment to the next **yearly charge date** divided by 365). The **discretionary investment manager** will also charge for their services and there may be charges for the specific investments they choose on your behalf. For further details of the charges of a **discretionary investment manager**, speak to your **financial adviser.**

b) manage assets on the **wrap platform**, **we** will facilitate the payment of a **portfolio manager fee** to the **discretionary investment manager** or a **financial adviser** (where they use **Standard Life Savings'** separate investment management functionality on the **wrap platform**). The **portfolio manager fee** will be deducted by **us** from each **portfolio cash account** and is in addition to the investment manager charge if **you** also use the services of a **discretionary investment manager** to manage assets off the **wrap platform**. For further information on the **portfolio manager fee**, please see section 19.19 of the **client terms and conditions for wrap services** and Part 2C of the **charging schedule**. Please note that the **portfolio manager fee** only applies to certain assets managed by the **discretionary investment manager** or your **financial adviser** on the **wrap platform**. It does not apply to assets administered by your **financial adviser** in an **advised portfolio.** Where either the **discretionary investment manager** invests in listed securities in a **managed portfolio** or your **financial adviser** (where your **financial adviser** uses **Standard Life Savings'** separate investment management functionality) instructs **us** to invest in listed securities in an **advised portfolio**, the listed security instructions are pooled with those for other clients and a trade placed by our execution-only stockbroker once a **business day**. There is a transaction charge for this. Please see Part 1B of the **charging schedule** for details.

Platform charge and product administration charges

10.14 a) Standard Life Savings will make a monthly **platform charge** for the provision of the services on the **wrap platform**, some administration of the **wrap SIPP** and a reasonable margin for profit. The annual equivalent of the monthly **platform charge** is set out in Part 1C of the **charging schedule**. The amount of the **platform charge** in relation to your **wrap SIPP** depends on the value of your **platform eligible assets** held in your **wrap account**. Please see Part 1C of the **charging schedule** for details.

b) **We** will take a monthly **product administration charge** to cover the cost of providing your **wrap SIPP** and a reasonable margin for profit. The annual equivalent of the monthly **product administration charge** is set out in Part 1C of the **charging schedule**. The amount of the **product administration charge** depends on the value of **platform eligible assets**. Please see Part 1C of the **charging schedule** for details.

c) One twelfth (1/12) of each of the annual **platform charge** and **product administration charge** will be deducted as two separate amounts from the **SIPP cash account** on the fifth day of each calendar month.

d) Your **platform charge** and/or **product administration charge** may, at our and **Standard Life Savings'** discretion, be reduced, for example where your **financial adviser** holds a certain level of **platform eligible assets** on the **wrap platform**. If such a reduction applies to **you**, the reduced charge will be shown on your **personal illustration** or **product confirmation schedule**.

e) Your **platform charge** may also be reduced by the family terms in accordance with sections 20.1 to 20.4 of the **client terms and conditions for wrap services** and Annex 1 Part 4 of the **charging schedule** (but this will not be shown in your **personal illustration** or **product confirmation schedule**). Please ask your **financial adviser** for further details of any reduced charges that may apply to **you**.

f) **We** will take a cash management administration charge to cover **our** costs for providing and administering holdings in the **SIPP cash account** and each **portfolio cash account**. Please see section 6.2, Part 3 of the **charging schedule** and our website www.standardlife.co.uk/wrapinfo for details.

g) Product charges are also applicable. Please see Part 3 of the **charging schedule** for details.

Collection of charges

10.15 All of the charges described in sections 10.5 to 10.13(a) will be collected from your holding in the **SIPP cash account** and the **portfolio manager fee** described in section 10.14(b) will be collected from the **portfolio cash account**.

If there's not enough money in the **SIPP cash account** to pay a charge described in sections 10.5 to 10.13(a), **we** will collect it in the way described in sections 6.6 and 6.7.

Please see section 19.19 of the **client terms and conditions for wrap services** for further details of how the **portfolio manager fee** is collected if there's not enough money in the **portfolio cash account.**

How we set our charges

10.16 The total charges under the **wrap SIPP** product (along with the other income that **we** expect to receive under the product) are intended to cover our overall costs in providing the **wrap SIPP** product to our customers (including an appropriate proportion of the costs of the **wrap platform**) and to provide reasonable margins for profit. (As explained in section 10.59, our property charges and costs are calculated separately.)

10.17 **We** have charges that are expressed as a proportion of a **scheme member's** investments of particular types in their **plan** (a 'fund based charge') and other charges for particular options or services that are expressed as an amount of money (a 'monetary charge'). **We** set the level of both types of charge so that there is a reasonable balance between the total charges (and other income) that **we** receive for **members** of the **scheme** who use particular options and services and the charges (and other income) that **we** receive for **members** who do not use those options or services but may do so in future. **Standard Life Savings** also sets its charges so that there is a reasonable balance between customers who are using the **wrap platform** for different products.

10.18 At least once a year, **we** will review our assumptions and our overall costs in providing the **wrap SIPP** product (including an appropriate proportion of the costs of the **wrap platform**) and our costs in providing the particular options and services under the **wrap SIPP** product. These costs are unknown when **plans** start and **we** need to make assumptions about future costs when setting our charges.

10.19 As a result of a review of our assumptions and overall costs, **we** may adjust the balance in the level of and mix of charges (and any discount) 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 investments and/or products.

10.20 For the purposes of section 10.19, 'reasonable grounds' include:

a) simplifying the charging structure for existing and new customers;

b) making reasonable adjustments to set an appropriate level of charges for **members** of the **scheme** who are using different options and services;

c) reflecting increases in the costs of providing the **wrap SIPP** (including an appropriate proportion of the costs of the **wrap platform**);

d) reflecting increases in the costs (including salary costs) in providing particular options and services available under your **plan** and the **wrap platform**;

e) reflecting reasonable changes in the assumptions made about the future costs in providing the **wrap SIPP** and the **wrap platform**;

f) reflecting reasonable changes in the assumptions made about the future costs in providing particular options or services available under your **plan** and the **wrap platform**; and

g) responding to changes in the **wrap platform**, including the services offered via the **wrap platform** and its use.

10.21 The adjustments to the charges mentioned in sections 10.19 and 10.20 may include changes to both the levels of the monetary charges and the fund based charges as well as changes to the level of any discounts. Subject to sections 16.9 and 16.10 of the **client terms and conditions for wrap services, we** will give **you** 3 months' notice before the adjustments take effect.

Fund based charges on Standard Life investment policy funds

10.22 The fund based charges on the **Standard Life investment policy funds** are described in sections 7.32 and 7.33 and are reviewed by the **insurer**.

Fund based charges on mutual funds

10.23 The fund based charges on **mutual funds** that are traded on the **wrap platform** are described in sections 10.3 and 10.4.

10.24 The **manager** of a **mutual fund** may increase or reduce their charge and, when **we** are informed, your **financial adviser** will be notified of the change through the **wrap platform**.

Monetary charges

10.25 The charges described in sections 10.5 to 10.13 and 10.48 to 10.61 are monetary charges.

10.26 Any increases in our monetary charges will not increase our profit margins on the **wrap SIPP** product above reasonable levels.

10.27 **We** may also introduce new monetary charges:

a) for new options or services;

b) for additional administration costs imposed on **us** or which we couldn't have reasonably anticipated at the start of the **plan**; or

c) to make reasonable adjustments to set an appropriate level of charges for customers who are using the **wrap platform** for different products.

Where, as a result of a review under section 10.18, **we** increase the charges described in sections 10.5 to 10.13 and 10.48 to 10.61 or add new ones in order to cover additional administration costs, **we** will give **you** 3 months' notice before the change takes effect.

Property charges

10.28 The monetary property charges are reviewed on the basis described in section 10.59.

Adviser charges – financial adviser's remuneration

10.29 **You** can pay for the services of your **financial adviser** in two ways. Firstly **you** can agree to pay a fee to your **financial adviser** directly or secondly, **you** can ask **us** to facilitate the payment of an adviser charge to your **financial adviser** on your behalf. If **you** choose the second option and **we** agree to facilitate the payment of an adviser charge on your behalf, Standard Life Savings will deduct the adviser charge from your **wrap cash account** (from outside your **plan**) or **we** will deduct the appropriate account within your **wrap SIPP** (from within your **plan**), as instructed by your **financial adviser**. Neither **we** nor **Standard Life Savings** have to agree to facilitate the payment of adviser charges and **we** reserve the right to refuse to do so, for any reason. Section 19 of the **client terms and conditions for wrap services** and the **charging schedule** provide more information on adviser charges. Please note that **we** are not responsible for setting the amount of the adviser charge. This is a private matter between **you** and your **financial adviser** and **we** won't get involved in any dispute between **you** and your **financial adviser**.

10.30 Before 15 October 2012, **you** may have asked **us** to pay a fee to your **financial adviser** directly from your **plan**, and/or **you** may have agreed that **we** should pay commission (or remuneration, benefits or services that correspond to commission) to your **financial adviser** in relation to your **plan**. **We** reserve the right to stop paying commission or fees if this is necessary for **us** to comply with regulatory requirements or the **FCA rules** and in the circumstances set out in sections 10.31, 10.38 and 10.45.

Sections 10.31 to 10.46 explain how your **financial adviser's** remuneration will impact upon your **plan** if after 15 October 2012, **we** agreed to facilitate the payment of adviser charges from your **plan** and/or if **we** agreed before 15 October 2012 to pay your **financial adviser's** commission or fees on your behalf.

Adviser remuneration: payments to the flexible account

10.31 **You** can ask us to pay a 'regular initial adviser charge' to your **financial adviser** in relation to a regular payment into your **flexible account**. **You** can decide to pay a 'regular initial adviser charge' as a fixed amount in sterling only. If **we** agree to facilitate the payment of a 'regular initial adviser charge' on your behalf, **we** will deduct this from the **flexible account**, as instructed by your **financial adviser**. **We** will show the level of the 'regular initial adviser charge' in the adviser charge confirmation letter that **we** send **you**. If there are insufficient funds to pay the 'regular initial adviser charge' from your **flexible account**, **we** will attempt to collect the charge by cancelling **units** proportionately from all the **Standard Life investment policy funds** held in your **plan**. If this produces an insufficient amount, **we** will cancel **units** from **mutual funds** held in your **plan.**

Where **we** agreed before 15 October 2012 to pay **level commission** to your **financial adviser** on your behalf in relation to a payment to your **flexible account**, **we** make an **initial charge** from each payment. The amount of the **initial charge** is the same as the amount of the **level commission**. **We** will show the level of the **initial charge** in the account confirmation that **we** give **you**. **We** won't agree to increase the percentage of any **level commission** that's already being paid.

We will stop paying any **level commission** to your **financial adviser** (and stop deducting that amount as an **initial charge**) if **you**:

a) increase or restart regular payments, or
b) add indexation to the regular payments (as described in sections 4.10 to 4.13), or
c) change the level of the indexation, or
d) instruct us to stop paying **level commission**, or
e) ask **us** to pay an 'ongoing adviser charge' to your **financial adviser** for services they provide in relation to your **wrap SIPP**, as explained in the **charging schedule**.

Adviser remuneration: single or transfer payment

10.32 **You** can ask **us** to pay an 'initial adviser charge' to your **financial adviser** in relation to single and/or **transfer payments** into your **account**. **You** can decide to pay an 'initial adviser charge' as a fixed amount in sterling or as a percentage of the relevant single and/or **transfer payments**. If **we** agree to facilitate the payment of an 'initial adviser charge' on your behalf, **we** will deduct this from the **SIPP cash account**, as instructed by your **financial adviser**. **We** will show the level of the 'initial adviser charge' in the adviser charge confirmation letter that **we** send **you**. If there are insufficient funds to pay the 'initial adviser charge' from your **SIPP cash account**, **we** will attempt to collect the charge by cancelling **units** proportionately from all the **Standard Life investment policy funds** held in your **plan**. If this produces an insufficient amount, **we** will cancel units from **mutual funds** held in your **plan**.

Charges for funded initial commission or adviser remuneration: single or transfer payment

10.33 Where **we** have agreed before 15 October 2012 to pay **funded initial commission** to your **financial adviser**, on your behalf in relation to a single or **transfer payment**, **we** make an **additional charge** from the **account** set up for the single or **transfer payment**. **We** express the **additional charge** as a percentage of the value of the **account** and **we** deduct the **additional charge** from the **account** on the **monthly charge date** during the **charging period**. Since the **additional charge** is a percentage of the **account**, the sum of money **we** deduct each month will depend on the value of the account on that **monthly charge date**. **Funded initial commission** is not available if **you** are aged 69 or over.

10.34 **We** will show the level of the **additional charge** (as a percentage), and the last **monthly charge date** on which **we** will collect it, in the account confirmation that **we** give **you**.

10.35 If **we** are making an **additional charge** from a **pre pension date account** and **you** apply a **pension date** to all or part of that **account** during the **charging period**, **we** will also make an **additional charge** from the **post pension date account** that's created.

Where **you** take a lump sum or **we** pay a **lifetime allowance charge**, **we** won't be collecting the **additional charge** on those amounts. The yearly rate of the **additional charge** on the **post pension date account** is increased to allow for the money paid out. When a **pre pension date account** becomes a **post pension date account** the last **monthly charge date** will remain the same.

We will calculate the higher **additional charge** for the **post pension date account** by:

a) multiplying the **additional charge** by the value of the **post pension date account** at the **pension date**; and

b) dividing it by the balance of the **post pension date account** after the lump sum and any **lifetime allowance charge** are taken off.

10.36 **We** will make a **transfer charge** if:

- **you** take a **transfer payment**;
- **we** pay a transfer value for your ex–spouse or ex–civil partner under a **pension sharing order**;
- **we** comply with a **restoration order**; or
- **we** pay a **refund of excess contributions lump sum**;

out of any of your **account(s)** which are subject to an **additional charge** and still within their **charging period**.

We will also make a **transfer charge** if **you** ask to start taking **flexible drawdown** (including full encashment) before the end of the **charging period**. In this case the charge will be calculated as if the whole **account** was being transferred.

We will calculate the **transfer charge** for an account by:

a) multiplying the yearly rate of the **additional charge** that applies to that **account** by

b) the number of **monthly charge dates** from the transfer date up to the end of the **charging period**

c) dividing this percentage by 12, and

d) multiplying the above by the amount being transferred or paid.

We will deduct the **transfer charge** from the amount being transferred or paid.

So, assuming that the yearly rate of the **additional charge** is 0.5%, that the number of **monthly charge dates** up to the end of the **charging period** is 26 and the value of the **account** being transferred is £10,000, the **transfer charge** will be:

$$\frac{0.5\% \times 26 \times 10{,}000}{12} = £108.33$$

So **you** will be able to transfer £10,000 – 108.33 = £9,891.67.

10.37 **We** will also make a **transfer charge** if **you** intend to use all or part of a **post pension date account** that's subject to an **additional charge** to buy an **annuity** during the **charging period**. (This includes any **post pension date account** where **you** choose to buy an **annuity** on the **pension date**.) **We** will calculate the **transfer charge** for an **account** by:

a) multiplying the yearly rate of the **additional charge** that applies to that **account** by

b) the number of **monthly charge dates** from the **annuity** purchase date up to the end of the **charging period**

c) dividing this percentage by 12, and

d) multiplying the above by the amount **you** intend to use to buy the **annuity**.

We will deduct the **transfer charge** from the **post pension date account**.

Continuing from the previous example, if the yearly rate of the **additional charge** is 0.5%, the number of **monthly charge dates** from the date the **annuity** is purchased up to the end of the **charging period** is 14 and the cost of the **annuity** is £5,000, the **transfer charge** will be:

$$\frac{0.5\% \times 14 \times 5{,}000}{12} = £29.17$$

So **you** will be able to use £5,000 – 29.17 = £4,970.83 to buy an **annuity**.

Adviser remuneration – ongoing services

10.38 **You** can ask **us** to pay an 'ongoing adviser charge' to your **financial adviser** for their ongoing services in connection with your **wrap SIPP**. **You** can decide to pay an 'ongoing adviser charge' as a fixed amount in sterling or as a percentage of the value of your **plan**. If **we** agree to facilitate the payment of an 'ongoing adviser charge' on your behalf, **we** will deduct this from the **SIPP cash account** or **Standard Life Savings** will deduct it from the **wrap cash account** as instructed by your **financial adviser**. **We** will show the level of the 'ongoing adviser charge' in the adviser charge confirmation letter that **we** send **you**. If **you** have chosen to pay the ongoing adviser charge from the **SIPP cash account** and there are insufficient funds to pay the 'ongoing adviser charge' from the **SIPP cash account**, **we** will attempt to collect the charge by cancelling units proportionately from all the **Standard Life investment policy funds** held in your **plan**. If this produces an insufficient amount, **we** will cancel units from **mutual funds** held in your **plan**.

Where **we** have agreed before 15 October 2012 to pay **fund based renewal commission** from an **account** to your **financial adviser** on your behalf, **we** make a **regular charge** from the **account**. The amount of the **regular charge** is the same as the amount of the **fund based renewal commission**. **We** express both as a percentage of the **account**. **We** won't agree to increase the percentage of any **fund based renewal commission** that's already being paid from an **account**.

We will stop paying any **fund based renewal commission** to your **financial adviser** from your **flexible account** (and stop deducting that amount as a **regular charge**) if **you**:

a) increase or restart regular payments, or

b) add indexation to the regular payments (as described in sections 4.10 to 4.13), or

c) change the level of the indexation, or

d) instruct us to stop paying **fund based renewal commission**.

We will stop paying **fund based renewal commission** from any other **account** (and stop deducting that amount as a **regular charge**) if **you** ask us to stop paying it. **We** will stop paying any **fund based renewal commission** from your **plan** (and stop deducting that amount as a **regular charge**) if **you** agree with your **financial adviser** that **we** will on your behalf pay them an 'ongoing adviser charge' for services they provide in relation to your **wrap SIPP**, as explained in the **charging schedule**.

10.39 **We** will deduct the **regular charge**:

a) on the **monthly charge date** if **we** are paying monthly **fund based renewal commission**;

b) on the **yearly charge date** if **we** are paying yearly **fund based renewal commission**;

c) every 3 months on the **monthly charge date**, if **we** are paying **fund based renewal commission** quarterly; or

d) every 6 months on the **monthly charge date** if **we** are paying it half-yearly.

We will give **you** confirmation of the level of the **regular charge** as a percentage of the **account** to which it applies.

10.40 If a **regular charge** applies to a **pre pension date account**, the same **regular charge** will apply to any **post pension date account** that's created from it, unless **you** ask **us** to pay a different level of **fund based renewal commission** to your **financial adviser**.

Adviser remuneration: income drawdown

10.41 **You** can ask us to pay an 'initial adviser charge' to your **financial adviser** for their services in connection with **you** taking income drawdown from your **plan** (including £0 income) for the first time. **You** can decide to pay an 'initial adviser charge' as a fixed amount in sterling only. If **we** agree to facilitate the payment of an 'initial adviser charge' on your behalf, **we** will deduct this from the **post pension date accounts**, as instructed by your **financial adviser**. **We** will show the level of the 'initial adviser charge' in the adviser charge confirmation letter that **we** send **you**. If there are insufficient funds to pay the 'initial adviser charge' from your **post pension date accounts**, **we** will attempt to collect the charge by cancelling units proportionately from all the **Standard Life investment policy funds** held in your **plan**. **We** won't pay an 'initial adviser charge' if there is not enough value in your **post pension date accounts** or your **Standard Life investment policy funds** at the time the charge is due.

Where **we** have agreed before 15 October 2012 to pay **initial commission** on your behalf in relation to **you** taking income drawdown from your **plan** (including £0 income) for the first time, the **initial commission** will be based on the full value of your **plan** before any tax-free lump sum is paid. **We** will make an **initial charge** that is the same amount as the **initial commission**. **We** will spread the **initial charge** across all your **accounts**, both those becoming **post pension date accounts** and those remaining **pre pension date accounts**. **We** will give **you** confirmation of the amount of the **initial charge** that's deducted from each **account**.

Charges for funded initial commission: income drawdown

10.42 Where **we** have agreed before 15 October 2012 to pay **funded initial commission** on your behalf, in relation to you taking income drawdown from your **plan** (including £0 income) for the first time, **we** will apply an **additional charge** to every **account**, both those becoming **post pension date accounts** and those remaining **pre pension date accounts** except for:

a) any **pre pension date account** that's already subject to an **additional charge** and is still within its **charging period**; and

b) any **post pension date account** created from an **account** that's already subject to an **additional charge** and is still within its **charging period**.

We will deduct the **additional charge** from each **account** (except those listed above) on the **monthly charge date** during the **charging period**. **We** will give **you** confirmation of the **additional charge** that applies to each of these **accounts** and the **last monthly charge date** on which **we** will collect it.

10.43 **We** will also make the **transfer charge** described in section 10.36 or 10.37 if the circumstances described in those sections apply during the **charging period** for the **additional charge** described in section 10.49.

Collecting charges for commission

10.44 **We** will collect the charges for commission from your holding in the **SIPP cash account**. If there's not enough money to pay a charge, **we** will collect it in the way described in sections 6.6 and 6.7.

Adviser fee

10.45 If **you** have authorised **us** in writing before 15 October 2012 to pay your **financial adviser** a fee out of your **plan**, **we** will pay this fee in accordance with your written instructions. But **we** do set limits on the amount that **we** are prepared to pay.

From 15 October 2012: (a) if fees are already being paid as a percentage of your **plan** value, that percentage cannot be increased, and (b) if fees are already being paid as a set monetary amount, that amount cannot be increased. **We** reserve the right to stop paying any fees from your **plan** if this is necessary to comply with regulatory requirements or the **FCA rules**. **We** will also stop paying any fees from your **plan**, if **you** ask us to pay an 'ongoing adviser charge' to your **financial adviser** for services they provide in relation to your **wrap SIPP**, as explained in the **charging schedule**.

Adhoc adviser charges

10.46 **You** can ask **us** to pay an 'adhoc adviser charge' to your **financial adviser** for their miscellaneous services in connection with your **plan** from time to time. **You** can decide to pay an 'adhoc adviser charge' as a fixed amount in sterling only. If **we** agree to facilitate the payment of an 'adhoc adviser charge' on your behalf, **we** will deduct this from the **SIPP cash account**, as instructed by your **financial adviser**. **We** will show the level of the 'adhoc adviser charge' in the adviser charge confirmation letter that **we** send **you**. If there are insufficient funds to pay the 'adhoc adviser charge' from your **SIPP cash account**, **we** will attempt to collect the charge by cancelling units proportionately from all the **Standard Life investment policy funds** held in your **plan**. **We** won't pay an 'adhoc adviser charge' if there is not enough value in your **SIPP cash account** or your **Standard Life investment policy funds** at the time the charge is due.

Property charges

Sections 10.47 to 10.59 describe the charges **we** make in relation to investment in property. If **you** want more information on these charges **you** can request a copy of our Commercial Property Guide from your **financial adviser**.

10.47 When **we** talk about the purchase of a property in the following sections, this includes receiving ownership of the property from the **trustees** of another scheme as part of an **in–specie transfer payment**. When **we** talk about the sale of a property in the following sections, this includes transferring ownership of the property to the trustees of another scheme if **you** ask for an **in–specie transfer payment** to that scheme under section 15.9.

10.48 **We** make a 'property set up charge' each time **you** ask **us** to purchase a property. **We** deduct this charge when the property purchase is completed, or earlier if the purchase is terminated before completion.

10.49 **We** make the following charges for a property when the purchase is completed and then yearly on the anniversary of that date:

a) a 'property administration charge' for each property;

b) a 'VAT administration charge' (if the property is registered for VAT);

c) a 'mortgage administration charge' (if the **trustee** sets up a borrowing arrangement for your **plan**);

d) a 'multi–member charge', which is additional to our other charges, (if any other **member** is also invested in the property).

10.50 **We** make an administration charge for 'property development' or 'property refurbishment' each time **we** deduct the actual costs of development or refurbishment from the **plan** or, at our option, when the development or refurbishment is completed. **We** calculate our charge on a 'time cost' basis.

10.51 **We** also make a charge on a 'time cost' basis for the work **we** do in relation to:

a) remortgaging a property with the same or a different lender, including any remortgage which doesn't complete;

b) altering the membership of a syndicate;

c) arranging to meet outstanding property charges where **you** haven't had enough funds in the **SIPP cash account** when payment was due;

d) dealing with rent arrears.

10.52 **We** make a 'sale charge' when **we** sell a property or earlier if the sale is terminated before completion. This charge won't apply to any property owned by the **trustee** before 1 January 2007.

10.53 Our environmental surveyors charge for their services. The level of the charge depends on whether a site visit is required and whether any additional reports or investigations are required. Where a site visit or additional reports are required, **we** will notify **you** in advance. These charges are subject to VAT and are deducted from your **plan**.

10.54 Our appointed solicitors charge for the work they do in relation to the buying or selling of a property and the drawing up of any lease. They charge reasonable rates for the quality of service that **we** require. They'll give **you** a quote when **we** instruct them to go ahead with the property transaction. Their charges (which are subject to VAT) are deducted from your **plan** after they've provided their services. If **you** decide not to complete the property transaction then **you** will be charged for their work to date.

Our appointed solicitors will have to pay third party costs in relation to the purchase or sale of a property. These costs include paying for searches and land registry fees and stamp duty land tax. These costs will be deducted from your **plan**. This applies even if the property transaction is terminated before completion.

10.55 Our appointed property managers charge for the work they do in relation to managing a property. These charges are subject to VAT and are deducted from your **plan**.

a) They make a 'yearly core services charge' when a purchase is completed and then yearly on the anniversary of that date. It's used to pay for the core services that they provide.

b) They make other charges on a 'time cost' basis for any additional services that they provide (for example their services in relation to lease renewals, rent reviews and multi-let property management).

c) If a property becomes vacant, they'll inspect the property. The costs of any work that's necessary to maintain the property during the vacancy will be deducted from your plan.

d) If a property is being sold, they make a 'property sale charge' for the work carried out in relation to the sale.

10.56 If **we** have reasonable grounds to consider that a third party needs to be appointed to undertake any special work in respect of the property, **we** will contact your **financial adviser** and/or yourself and notify **you** of the work required and the costs involved. Where practical, **we** will take account of your wishes on who **we** should appoint to do the work. **We** will deduct the cost of the work from your **plan**.

10.57 Where a property transaction is complex or involves more than one **member**, **we** will negotiate the charges with **you** instead of applying our standard charges.

10.58 **We** will collect all of the charges described in sections 10.48 to 10.57 from your holding in the **SIPP cash account**. If there's not enough money to pay a charge, **we** will collect it in the way described in sections 6.6 and 6.7.

10.59 The charges described in sections 10.48 to 10.57 are intended to cover our costs in buying (or selling), managing and maintaining a property, and to provide reasonable margins for profit. **We** will review them at least once a year. Some of our costs in relation to property investment are unknown when the **plan** starts and **we** may need to make assumptions about future costs when setting our charges.

We may increase these charges to reflect increases in our costs in relation to property investment or changes in the assumptions **we** make. Any increases in these charges will not increase our profit margins above reasonable levels. Where **we** know that **we** will be collecting a charge from your **plan** and **we** are intending to increase that charge, **we** will give **you** up to 3 months' notice before **we** increase it.

We may also introduce new charges in relation to property investment to cover any new options or services or to cover additional costs which are imposed on **us** or which **we** couldn't have reasonably anticipated at the start of the **plan**.

Miscellaneous charges

10.60 Section 4.8 describes the charges that apply if a cheque or direct debit is rejected after **we** have used it to buy investments.

10.61 If **you** joined the **scheme** (or upgraded from our active money personal pension or group flexible retirement plan products) on or after 6 April 2011, **we** will make a one-off 'in-specie transfer in charge' for each **in-specie transfer payment** that **we** accept. This charge is in addition to the 'initial administration charge' described in section 10.5. **We** won't make an 'in-specie transfer in charge' if the only assets being transferred from the other scheme are **mutual funds** that can be traded on the **wrap platform**.

11. Benefits at pension date

11.1 **You** can select the **pre pension date accounts** that **you** wish to apply a **pension date** to. If **you** choose to apply a **pension date** to your **plan** but **you** don't choose an **account**, **we** will apply a **pension date** to the oldest **account** first except for any **flexible account** which **we** will leave to last.

11.2 As explained in section 2.3, each time **you** ask **us** to start paying **you benefits** from a part of your **plan**, **we** will apply a **pension date** to it. A **pension date** can be applied to all (or part) of a **pre pension date account**. The part to which **we** apply a **pension date** becomes a **post pension date account**. **We** can, at your request, apply a **pension date** to different **pre pension date accounts** at different times. This section describes the **benefits** which are payable to **you** from a **post pension date account**.

Your pension date

11.3 Any **pension date you** choose cannot be earlier than the 'normal minimum pension age' (which has been 55 since 6 April 2010 and is due to rise to 57 in 2028) unless:

a) **you** have transitional rights to a protected pension age (which is the mechanism set up by **HMRC** when they simplified the pensions tax regime from 6 April 2006 to protect rights built up before that date) and **you** satisfy the conditions in the **rules**. If **you** think that **you** may qualify, please speak to your **financial adviser**; or

b) **we** are satisfied that **you** are, and will continue to be, incapable of carrying on your occupation because of physical or mental impairment. (In this case **you** must provide medical evidence to show that **you** have become incapable of carrying on that occupation and are unlikely to return to it).

To find out more about protected pension ages and early retirement pension dates due to ill health please contact your **financial adviser**.

11.4 There's no maximum **pension date**. But if **you** die aged 75 or older, any death benefit paid from your **plan** will be taxed (see sections 12.6 and 13.6).

11.5 **You** can't ask **us** to apply a **pension date** to a **pre pension date account** before the **account** is created or before **we** receive your instruction. If assets need to be sold to provide a tax–free lump sum, the **pension date** can't be earlier than the date on which the sale proceeds are available in the **SIPP cash account**.

Taking benefits from pension date

11.6 At a **pension date you** may, subject to the conditions set out in the rest of section 11, choose the following **benefits**:

a) a **tax–free lump sum** plus income drawdown (including £0 income or, in the case of **flexible drawdown**, any amount of income up to a full encashment);

b) a **tax–free lump sum** plus an **annuity**;

c) income drawdown only; or

d) an **annuity** only.

11.7 When **we** apply a **pension date** to a **pre pension date account**, **we** will create a **post pension date account**. **You** will normally be able to take some of the new **post pension date account** as a **tax-free lump sum** at **pension date**. Once the **tax-free lump sum**, if any, has been paid the balance of the **post pension date account** (less any **lifetime allowance charge**, detailed in section 4.22) must be used to provide benefits for **you**. This means:

a) **you** can use the balance to buy an **annuity** (as described in sections 11.33 to 11.36); or

b) **you** can take income drawdown from the balance (with **flexible drawdown** the balance can be fully encashed and paid out as a one-off income payment).

If **you** have never taken income drawdown from your **plan** before, we will only allow **you** to start income drawdown if **we** consider that your **plan** is large enough for income drawdown. **You** can find out about the current basis on which **we** decide if a **plan** is large enough for **us** to administer income drawdown from your **financial adviser**. **You** should speak to your **financial adviser** to see if income drawdown is suitable for **you**.

Tax-free lump sum

11.8 **You** can't take a **tax-free lump sum** at **pension date** if the whole of the **account** to which the **pension date** is being applied represents a disqualifying pension credit. (This applies on divorce if **you** receive a share of a pension held by your former husband, wife or civil partner that is already providing **benefits**).

The maximum tax free lump sum is normally 25% of the value of the **post pension date account** from which the **tax-free lump sum** is being paid (excluding any disqualifying pension credit). A higher amount may be available if **you** have transitional rights (which is the mechanism set up by **HMRC** when they simplified the pensions tax regime from 6 April 2006 to protect rights built up before that date). A lower percentage may, however, apply with one form of transitional rights. If **you** think that transitional rights might apply to **you**, please contact your **financial adviser**.

You can't take a **tax-free lump sum** from a **transfer payment** of a **drawdown pension fund** received from another scheme.

11.9 **We** will provide the **tax-free lump sum** at **pension date** from the investments that **we** move out of the **savings investment mix**. If **you** don't give **us** any instructions about how to move your investments (and therefore how to provide your **tax-free lump sum**), **we** will move a proportion of each **Standard Life investment policy fund** and a proportion of the 'additional investments' out of the **savings investment mix**, and provide the **tax-free lump sum** by:

a) cancelling **units** proportionately from each of these **Standard Life investment policy funds**;

b) if this produces an insufficient amount, paying the lump sum (or the balance) from your holding in the **SIPP cash account**.

Unless the whole lump sum is being provided from the **Standard Life investment policy funds**, **you** must ensure that your **financial adviser** takes all required actions so that there are sufficient funds available in the **SIPP cash account** to pay the lump sum. Your **financial adviser** must use the **wrap platform** to sell investments on your behalf, as explained in section 6.5. If your **financial adviser** fails to do so, **we** reserve the right to delay payment of the lump sum or to sell investments on the basis described in sections 6.6 and 6.7.

Moving your investments

11.10 Under your **plan you** can have a **savings investment mix** and a **drawdown investment mix** (as explained in sections 2.7 and 2.8). When **we** create a **post pension date account**, **you** can name individual **Standard Life investment policy funds** which should be moved out of the **savings investment mix** and into the **drawdown investment mix**. **You** can make a fund switch during this move. Because **we** group together all other investments (including your holding in the **SIPP cash account**) as ‘additional investments’, **you** can only tell **us** how much of the ‘additional investments’ **you** want **us** to move into the **drawdown investment mix**.

You can find an example of how investments are moved out of the **savings investment mix** and into the **drawdown investment mix** in Annex 2 of these **terms**.

Income drawdown

11.11 **You** can take income drawdown from some or all of your **drawdown pot**. Income drawdown can either be ‘capped’ drawdown or ‘flexible’ drawdown. Sections 11.14 to 11.18 below apply to both types of income drawdown. However, **we** won’t administer both types of income drawdown under the same **plan**.

11.12 If **you** have **flexible drawdown**, **you** can take income from each **post pension date account** in your **plan** with no **HMRC** restrictions on the amount **you** can withdraw. However, if your **plan** is mostly invested in commercial property or any other illiquid asset **you** must keep a reasonable amount in the **SIPP cash account** to pay the charges detailed in section 10.

If **you** take **flexible drawdown**, **you** get a **money purchase annual allowance** of £4,000 (as explained in section 4.21 above). (If **you** had **flexible drawdown** before 6 April 2015, **you** got a **money purchase annual allowance** of £10,000 on 6 April 2015 that reduced to £4,000 from 6 April 2017.)

Also, if the value of your **plan** drops below a level at which it would normally be cost-effective for **us** to administer it, **we**’ll contact **you** to discuss an appropriate timescale for **you** to encash the balance of your **plan**.

11.13 If **you** have **capped drawdown**, **you** can take income from each **post pension date account** in your **plan** up to the **maximum income** set out in the **rules** (as explained in sections 11.19 to 11.24 below).

Taking **capped drawdown** from your **plan** does not affect your **annual allowance**.

Capped drawdown is only available from an **arrangement** if it held a **drawdown pension fund** before 6 April 2015 and **you** have not asked for **flexible drawdown** from that **arrangement** either before or since that date. It is also available from a **transfer payment** received on or after 6 April 2015 if that **transfer payment** was a **capped drawdown** pension fund and **you** have not asked for **flexible drawdown**.

Capped drawdown is no longer available as a new option in an **arrangement**.

If **you** have **capped drawdown** in an **arrangement**, **you** can ask **us** to convert it to **flexible drawdown**. If **you**’re considering converting from **capped drawdown** to **flexible drawdown**, **you** should discuss this with your **financial adviser**.

11.14 **You** can increase, decrease, stop and restart your income at any time. If **you** want to change the level of your income, **you** must tell **us** at least 5 **business days** before the next payment date.

11.15 **You** can also ask **us** to make additional one–off payments from time to time. **We** may not agree to a one–off payment if the amount is too small to be cost–effective for **us** to process or if the number of requests means that **you** should ask for (or increase) your regular income. If **you** have any questions about this please speak to your **financial adviser**.

11.16 **We** will pay your income in monthly instalments unless **you** ask **us** to pay it every 3 months, every 4 months, every 6 months or once a year. The same payment frequency must apply to all regular income paid from your **drawdown pot**. **We** will stop paying your income when **you** die.

11.17 **You** can choose the day of the month on which **you** would like **us** to pay your income, excluding the 29th, 30th and 31st days. All regular income from all of your **drawdown pot** must be paid on the same payment dates.

11.18 **We** will pay your income from the **SIPP cash account**. Before your holding in the **SIPP cash account** becomes insufficient to allow **us** to make the required payment, **you** must ensure that your **financial adviser** uses the **wrap platform** to sell investments as explained in section 6.5. If your **financial adviser** fails to do so **we** will sell investments on the basis described in sections 6.6 and 6.7.

Capped drawdown limits

11.19 The **maximum income** is set out in the **rules**. Each **arrangement** has its own **maximum income** and its own **income year**.

11.20 When taking income as **capped drawdown**, **you** ask for a gross payment (which is the amount **you** withdraw before tax is deducted). Your gross payment can be expressed as a set sum of money (including £0). It cannot be expressed as a percentage of your **maximum income**.

11.21 If **you** increase, decrease, stop or restart your income or take any additional one-off payments within an **income year**, **you** must keep within the **maximum income**.

11.22 The **maximum income** is recalculated for the **regular review date** and then yearly for the start of each **income year** that falls on or after your 75th birthday. The **maximum income** could increase or decrease each time it's recalculated.

11.23 The **maximum income** is also recalculated if there's a movement from the **savings pot** to the **drawdown pot**, if **you** use part of your **drawdown pot** to buy an **annuity**, or if **we** use any part of your **drawdown pot** to provide a **transfer payment** for your ex-spouse or former civil partner under a **pension sharing order**.

11.24 For more information, please see the definitions of **maximum income**, **regular review date** and **income year** in the glossary in Annex 1.

Taking a regular tax-free lump sum

11.25 **You** can ask **us** to pay **you** a regular amount which is fully or partly made up of a **tax-free lump sum**. **We** call this option:

a) 'tailored drawdown' if your **plan** has **flexible drawdown** (see sections 11.27 to 11.29 below); or

b) 'drip-feed drawdown' if your **plan** has **capped drawdown** (see sections 11.30 to 11.32 below).

Tailored drawdown is not available if **you** have any **off-platform assets**. Drip-feed drawdown is not available unless your **plan** is fully invested in **Standard Life investment policy funds**. Neither option is available if **you** have a protected **lifetime allowance** or protected or restricted rights to a **tax-free lump sum**.

11.26 Where **we** agree to provide tailored or drip-feed drawdown to **you**, **we** automatically apply a **pension date** whenever a **tax-free lump sum** is needed to provide all or part of the amount **you**'ve asked for. This means that, as well as moving your **tax-free lump sum** out of the **savings pot**, **we** also move an amount equal to three times that sum out of the **savings pot** and into the **drawdown pot** (and for **capped drawdown**, **we** recalculate the income limits). Everything that's moved out of the **savings pot** is tested against your **lifetime allowance**. **You** must tell **us** if **you** take benefits from any other pension provider so that **we** can tell if **you** have exceeded your **lifetime allowance**.

11.27 If **you** choose tailored drawdown, **you** can ask for:

a) a regular **tax-free lump sum** only; or

b) a regular **tax-free lump sum** plus a regular amount of taxable income.

The taxable income is paid from the **drawdown pot**. If **you** take any money from the **drawdown pot** this counts as **flexibly accessing** your pension rights and **you** get a **money purchase annual allowance** of £4,000 (as explained in section 4.21).

Where **you** have asked for a regular **tax-free lump sum** only and **we** can reasonably anticipate that your **savings pot** is going to be too small to support your next payment, **we**'ll suspend the payment and contact **you** for your agreement before **we** start using your **drawdown pot** to provide the amount **you** require.

11.28 In section 11.9 **we** explain how **we** provide the **tax-free lump sum** and in section 11.18 **we** explain how **we** provide the taxable income. Unless your **plan** is fully invested in **Standard Life investment policy funds**, **you** need to keep sufficient funds in the **SIPP cash account** to meet expected payments. If **you** or your **financial adviser** repeatedly fail to top up the money in the **SIPP cash account**, **you** will no longer be eligible for tailored drawdown.

11.29 **We**'ll stop providing tailored drawdown if:

a) **you** ask **us** to stop;

b) **you** invest in any **off-platform assets**;

c) there is nothing left in your **savings pot**; or

d) **you** have no entitlement to a **tax-free lump sum** left.

However, **you** can continue to take an income, without a **tax-free lump sum**, from your **drawdown pot**.

11.30 If **you** choose drip-feed drawdown this means that **you** tell **us** the net payment **you** want to receive and whether **you** want that net amount to be made up of:

a) **tax-free lump sum** only; or

b) a combination of **tax-free lump sum** and taxable income.

Option a) minimises your income tax. Option b) minimises the amount that needs to be tested against your **lifetime allowance**. That's because if some of your **drawdown pot** is being used to provide the amount **you** asked for then less needs to be moved out of your **savings pot**.

Your taxable income can be either the **maximum income** or a percentage of the **maximum income**. **You** can change from one basis to another but the same basis must apply to all your **post pension date accounts**.

11.31 **You** can require your **financial adviser** to tell **us** which **Standard Life investment policy funds we** should cancel **units** from to provide the drip-feed drawdown **you**'ve asked for. If your **financial adviser** fails to provide **us** with the requested instructions before **we** need to make the next regular payment, **we**'ll cancel **units** proportionately from all **Standard Life investment policy funds** in the **drawdown investment mix**.

11.32 **We**'ll stop providing drip-feed drawdown if:

a) **you** ask us to stop;

b) **you** invest in assets other than **Standard Life investment policy funds**;

c) there is nothing left in your **savings pot**;

d) **you** have no entitlement to a **tax-free lump sum** left; or

e) **you** reach your 75th birthday.

However **you** can continue to take an income, without a **tax-free lump sum**, from your **drawdown pot**.

Buying an annuity

11.33 **You** can ask **us** to use a **post pension date account** to buy an **annuity** at the **pension date**, or to use all (or part) of a **post pension date account** to buy an **annuity** after taking income drawdown.

11.34 **You** can ask **us** to buy the **annuity** from any **insurance company**. **You** can choose any type of **annuity** that is allowed by the **rules**.

11.35 **You** must tell **us** which assets **we** should sell to provide the **annuity** purchase price. If **you** are buying an **annuity** from a **drawdown pension fund**, **we** will deduct any **lifetime allowance charge** that might apply (please see sections 4.22 to 4.24) from the **annuity** purchase price.

11.36 If **you** intend to use all of the **accounts** under your **plan** (less any amount paid out as a lump sum) to buy an **annuity**, **we** will deduct from the **annuity** purchase price any administration charges under sections 10.6 and 10.7 that would've been due on the next **yearly charge date** before **we** purchase the **annuity**.

Serious ill–health lump sum

11.37 If **we** receive satisfactory evidence from a registered medical practitioner that **you** are expected to live for less than one year, **you** may have the option of taking the proceeds of your **savings pot** as a lump sum. If **you** are under age 75, **we** will deduct any **lifetime allowance charge** from the lump sum. If **you** are aged 75 or older, the lump sum is subject to income tax at your **marginal rate**. The lump sum must satisfy the conditions set out in the **rules**. For more information on this please contact your **financial adviser**.

12. Death benefits from the savings pot

12.1 This section describes the death benefits that are payable from your **savings pot**.

After **we** are notified of your death **we** will normally:

a) sell all of the assets held for **you** under the **scheme**; and

b) pay the cash proceeds into the **SIPP cash account**;

before distributing them to your beneficiaries or using them to provide a pension for your beneficiaries.

We'll deduct from your **plan** any yearly administration charge (described in section 10.6) which was due to be paid on the next **yearly charge date. We** will continue deducting a yearly administration charge for each **plan** year that starts after your death until the death benefits are settled.

Lump sum death benefit

12.2 **We** may pay a lump sum death benefit from your **savings pot**. **We** will decide who should receive a lump sum death benefit, and how much, from the list of beneficiaries described in the **rules**. **You** can help **us** make this decision by giving **us** the names of the nominees to whom **you** would like **us** to pay the lump sum death benefit. These can include the trustees of any trust that **you** have set up. **We** will take your views into consideration but **we** are not obliged to follow them unless **you** have given us a binding instruction to pay the lump sum death benefit to the Standard Life bypass trust.

A **beneficiary** who is an individual can ask **us** to provide a pension (as explained in section 12.4) instead of receiving a lump sum death benefit. (If **you** die leaving any surviving **dependants** or **nominees**, a **beneficiary** who is not a **dependant** or **nominee** cannot ask for a pension.)

Beneficiary's pension

12.3 **We** will provide a pension for your **beneficiary** if:

a) your **beneficiary** has asked **us** to do so instead of receiving a lump sum death benefit under section 12.2; or

b) **you** have instructed **us** to use some or all of your **savings pot** to provide a pension for one or more of your **beneficiaries** on your death.

However, **we** won't provide a pension for anyone who is not a **dependant** or **nominee** unless **you** die leaving no surviving **dependants** or **nominees**.

12.4 A **beneficiary** can ask for:

a) a **beneficiary's drawdown plan** to take income drawdown from your date of death under sections 14.2 to 14.15 (with **flexible drawdown** it can still be fully encashed and paid out as a one-off income payment); or

b) an **annuity** payable to them from any insurance company as long as it's allowed under the **rules**.

They can transfer their **beneficiary's drawdown plan** in accordance with section 15.6.

12.5 **We** won't agree to a **beneficiary** taking income drawdown under the Wrap SIPP unless they have:

a) appointed a **financial adviser**; and

b) agreed to be bound by these **terms**.

We won't offer income drawdown to a **beneficiary** who is under age 23.

Taxation of death benefits from the savings pot

12.6 If **you** die under age 75, and your death benefits are settled within two years of notification of your death, any death benefit paid from your **savings pot** is tested against your remaining **lifetime allowance**. A tax charge of 55% applies to any lump sum death benefit that exceeds this limit. A tax charge of 25% applies to any amount which is designated for income drawdown or used to buy an **annuity** for a **beneficiary** that exceeds this limit. **We**'re not responsible for doing this test or for deducting the tax. The rest of the lump sum death benefit, and any income drawdown or **annuity** payments, are tax-free.

If **you** die under age 75, and your death benefits are not settled within two years or notification of your death, any lump sum death benefit paid from your **savings pot** is subject to income tax at your **beneficiary**'s **marginal rate.** If the recipient is not an individual, it is subject to a 45% tax charge. **We**'ll deduct the tax before paying it out. Any income drawdown or **annuity** payments are also subject to income tax at your **beneficiary**'s **marginal rate**.

If **you** die aged 75 or older, any lump sum death benefit paid from your **savings pot** is subject to income tax at your **beneficiary**'s **marginal rate.** If the recipient is not an individual, it is subject to a 45% tax charge. **We**'ll deduct the tax before paying it out. Any income drawdown or **annuity** payments are also subject to income tax at your **beneficiary**'s **marginal rate**.

If **you** die leaving no surviving **dependants** and **we** pay a lump sum death benefit to a charity nominated by **you**, that lump sum death benefit won't generally be subject to tax. For more information please see our leaflet 'Information about tax relief, limits and your pension' (GEN658).

13. Death benefits from the drawdown pot

13.1 This section describes the death benefits that are payable from your **drawdown pot**.

After **we** are notified of your death **we** will normally:

a) sell all of the assets held for **you** under the **scheme**; and

b) pay the cash proceeds into the **SIPP cash account**;

before distributing them to your beneficiaries or using them to provide a pension for your beneficiaries.

We'll deduct from your **plan** any yearly administration charge (described in section 10.6) and pension fund withdrawal charge (described in section 10.7) which were due to be paid on the next **yearly charge date**. **We**'ll continue deducting a yearly administration charge for each **plan** year that starts after your death until the death benefits are settled.

Lump sum death benefit

13.2 **We** may pay a lump sum death benefit from your **drawdown pot.**

We will decide who should receive a lump sum death benefit, and how much, from the list of **beneficiaries** described in the **rules**. **You** can help **us** make this decision by giving **us** the names of the **nominees** to whom **you** would like **us** to pay the lump sum death benefit. These can include the trustees of any trust that **you** have set up. **We** will take your views into consideration but **we** are not obliged to follow them unless **you** have given **us** a binding instruction to pay the lump sum death benefit to the Standard Life bypass trust.

A **beneficiary** who is an individual can ask **us** to provide a pension (as explained in section 13.4) instead of receiving a lump sum death benefit. (If **you** die leaving any surviving **dependants** or **nominees**, a **beneficiary** who is not a **dependant** or **nominee** cannot ask for a pension.)

Beneficiary's pension

13.3 **We** will provide a pension for your **beneficiary** if:

a) your **beneficiary** has asked **us** to do so instead of receiving a lump sum death benefit under section 13.2; or

b) **you** have instructed **us** to use some or all of your **drawdown pot** to provide a pension for one or more of your **beneficiaries** on your death.

However, **we** won't provide a pension for anyone who is not a **dependant** or **nominee** unless **you** die leaving no surviving **dependants** or **nominees**.

13.4 A **beneficiary** can ask for:

a) a **beneficiary's drawdown plan** to take income drawdown from your date of death under sections 14.2 to 14.15 (with **flexible drawdown** it can still be fully encashed and paid out as a one-off income payment); or

b) an **annuity** payable to them from any insurance company as long as it's allowed under the **rules**.

They can transfer their **beneficiary's drawdown plan** in accordance with section 15.6.

13.5 **We** won't agree to a **beneficiary** taking income drawdown under the Wrap SIPP unless they have:

a) appointed a **financial adviser**; and

b) agreed to be bound by these **terms**.

We won't offer income drawdown to a **beneficiary** who is under age 23.

Taxation of death benefits from the drawdown pot

13.6 If **you** die under age 75, and your death benefits are settled within two years of notification of your death, any lump sum death benefit paid from your **drawdown pot** and any income drawdown or **annuity** payments are tax-free.

If **you** die under age 75, and your death benefits are not settled within two years of notification of your death, any lump sum death benefit paid from your **drawdown pot** is subject to income tax at your **beneficiary**'s **marginal rate**. If the recipient is not an individual, it is subject to a 45% tax charge. **We**'ll deduct the tax before paying it out. Any income drawdown or **annuity** payments are tax-free.

If **you** die aged 75 or older, any lump sum death benefit paid from your **drawdown pot** is subject to income tax at your **beneficiary**'s **marginal rate**. If the recipient is not an individual, it is subject to a 45% tax charge. **We**'ll deduct the tax before paying it out. Any income drawdown or **annuity** payments are also subject to income tax at your **beneficiary**'s **marginal rate**.

If **you** die leaving no surviving **dependants** and **we** pay a lump sum death benefit to a charity nominated by **you**, that lump sum death benefit won't generally be subject to tax. For more information, please see our leaflet 'Information about tax relief, limits and your pension' (GEN658).

14. Beneficiary's drawdown plan

14.1 A **beneficiary** or **successor** can tell us how they want their **beneficiary's drawdown plan** to be invested.

Income drawdown

14.2 A **beneficiary** or **successor** can take income drawdown from some or all of their **beneficiary's drawdown plan**. Income drawdown can be either 'capped' drawdown or 'flexible' drawdown. Sections 14.5 to 14.9 below apply to both types of income drawdown. However, **we** won't administer both types of income drawdown under the same plan.

Taking income drawdown from a **beneficiary's drawdown plan** won't affect a **beneficiary**'s or **successor**'s **annual allowance**.

14.3 If a **beneficiary** or **successor** has **flexible drawdown**, they can take income from the **beneficiary's drawdown plan** with no **HMRC** restrictions on the amount they can withdraw. However, if it is mostly invested in commercial property or any other illiquid asset they must keep a reasonable amount in the **SIPP cash account** to pay the charges in section 10.

14.4 If a **beneficiary** has **capped drawdown**, they can take income from the **beneficiary's drawdown plan** up to the **maximum income** set out in the **rules** (as explained in sections 14.10 to 14.15 below).

Capped drawdown is only available from a **beneficiary's drawdown plan** if it held a **drawdown pension fund** before 6 April 2015 and the **beneficiary** has not asked for **flexible drawdown** from that **beneficiary's drawdown plan** either before or since that date. It is also available from a **transfer payment** received on or after 6 April 2015 if that **transfer payment** is a **capped drawdown** pension fund and the **beneficiary** has not asked for **flexible drawdown**.

Capped drawdown is no longer available as a new option in a **beneficiary's drawdown plan**. It was available before 6 April 2015, when a **beneficiary** had to be a **dependant** to be eligible for **capped drawdown**.

If a **beneficiary** has **capped drawdown** in a **beneficiary's drawdown plan**, they can ask **us** to convert it to **flexible drawdown**. If they're considering converting from **capped drawdown** to **flexible drawdown**, they should discuss this with their **financial adviser**.

14.5 A **beneficiary** or **successor** can increase, decrease, stop and restart their income at any time. If they want to change the level of their income, they must tell **us** at least 5 **business days** before the next payment date.

14.6 A **beneficiary** or **successor** can also ask **us** to pay additional one-off payments from time to time. **We** may not agree to make a one-off payment if the amount is too small to be cost-effective for **us** to process or if the number of requests means that they should ask for (or increase) their regular income.

14.7 **We** will pay their income in monthly instalments unless they ask **us** to pay it every 3 months, every 4 months, every 6 months or once a year. Unless **we** agree otherwise, the same payment frequency must apply to all regular income paid from all of the **beneficiary's drawdown plans** set up for that **beneficiary** or **successor**.

14.8 A **beneficiary** or **successor** can choose the day of the month on which they'd like **us** to pay their income, excluding the 29th, 30th and 31st days. Unless **we** agree otherwise, all regular income from all **beneficiary's drawdown plans** set up for that **beneficiary** or **successor** must be paid on the same payment dates.

14.9 **We** will pay a **beneficiary**'s or **successor**'s income from the **SIPP cash account**. It's their **financial adviser's** responsibility to ensure that there are sufficient funds available in the **SIPP cash account** to make the required payment. Their **financial adviser** must use the **wrap platform** to sell investments on their behalf, as explained in section 6.5. If their **financial adviser** fails to do so **we** will sell investments on the basis described in sections 6.6 and 6.7.

If a **beneficiary** or **successor** is fully invested in **Standard Life investment policy funds**, their **financial adviser** can tell **us** which funds **we** should cancel **units** from to provide their income. If they don't give **us** any instruction or if any one of the funds they asked **us** to target has been exhausted **we** will cancel **units** proportionately from all their **Standard Life investment policy funds**.

Capped drawdown limits

14.10 The **maximum income** is set out in the **rules**. Each **beneficiary's drawdown plan** has its own **maximum income** and its own **income year**.

14.11 When taking income as **capped drawdown**, a **beneficiary** asks for a gross payment (which is the amount they withdraw before tax is deducted). Their gross payment can be expressed as a set sum of money (including £0). It cannot be expressed as a percentage of their **maximum income**.

14.12 If a **beneficiary** increases, decreases, stops or restarts their income or takes any additional one-off payments within an **income year** they must keep within the **maximum income**.

14.13 The **maximum income** is recalculated for the **regular review date** and then yearly for the start of each **income year** that falls on or after the **beneficiary**'s 75th birthday. The **maximum income** could increase or decrease each time it's recalculated.

14.14 The **maximum income** is also recalculated if a **dependant** uses part of their **beneficiary's drawdown plan** to buy an **annuity** under section 14.16. If **we** use all of the **beneficiary's drawdown plan** to buy an **annuity**, **we**'ll deduct any administration charge under section 10.6 and 10.7 that would've been due on the next **yearly charge date** from the **annuity** purchase price.

14.15 For more information, please see the definitions of **maximum income**, **regular review date** and **income year** in the glossary in Annex 1 of this document.

Buying an annuity

14.16 A **beneficiary** or **successor** can ask **us** to use all (or part) of a **beneficiary's drawdown plan** to buy an **annuity**.

14.17 They can ask us to buy the **annuity** from any **insurance company**. They can choose any type of **annuity** that is allowed by the **rules**. For further information, please consult your **financial adviser**.

14.18 They must tell **us** which investments **we** should sell to provide the **annuity** purchase price.

14.19 If **we** use all of the **beneficiary's drawdown plan** to buy an **annuity**, **we** will deduct any administration charges under sections 10.6 and 10.7 that would've been due on the next **yearly charge date** from the **annuity** purchase price.

Death of beneficiary or successor in drawdown

14.20 After **we**'re notified of a **beneficiary**'s or a **successor**'s death we'll normally:

a) sell all of the assets held for them under the **scheme**; and

b) pay the cash proceeds into the **SIPP cash account**;

before distributing them to the **successors** of the deceased **beneficiary** or **successor** or using them to provide a pension.

14.21If a **beneficiary** or a **successor** dies before all of the **beneficiary's drawdown plan** has been exhausted, **we** may pay a lump sum death benefit from that **beneficiary's drawdown plan**. **We**'ll decide who should receive a lump sum death benefit, and how much, from the list of **beneficiaries** described in the **rules**. A **beneficiary** or a **successor** can help **us** make this decision by giving **us** the names of the **successors** to whom they'd like **us** to pay the lump sum death benefit. **We**'ll take their views into consideration but **we**'re not obliged to follow them.

14.22 A **successor** who is an individual can ask for a pension (as explained in sections 14.23 to 14.24) instead of receiving a lump sum death benefit. (If a **beneficiary** or **successor** has nominated any **successors**, a **successor** chosen by **us** cannot ask for a pension instead of a lump sum death benefit.)

14.23 **We**'ll provide a pension for a s**uccessor** if:

a) that **successor** has asked **us** to do so instead of receiving a lump sum death benefit under section 14.21; or

b) a **beneficiary** or a **successor** has instructed **us** to use some or all of their **beneficiary's drawdown plan** to provide a pension for one or more **successors** on their death.

However **we** won't provide a pension for a **successor** chosen by **us** if a **beneficiary** or **successor** has nominated other **successors**.

14.24 A **successor** can ask **us** for:

a) a **beneficiary's drawdown plan** to take income drawdown under sections 14.2 to 14.9 (with **flexible drawdown** it can still be fully encashed and paid out as a one-off income payment); or

b) an **annuity** payable to them under sections 14.16 to 14.19.

They can transfer their **beneficiary's drawdown plan** in accordance with section 15.6.

Taxation of death benefits from the beneficiary's drawdown plan

14.25 If a **beneficiary** or a **successor** dies under age 75, and their **beneficiary's drawdown plan** is settled within two years of notification of their death, any lump sum death benefit or income drawdown or **annuity** payments are tax-free.

If a **beneficiary** or a **successor** dies under age 75, and their **beneficiary's drawdown plan** is not settled within two years of notification of their death, any lump sum death benefit paid from that **beneficiary's drawdown plan** is subject to income tax at the **successor**'s **marginal rate.** If the recipient is not an individual, it is subject to a 45% tax charge. **We**'ll deduct the tax before paying it out. Any income drawdown or **annuity** payments are tax-free.

If a **beneficiary** or a **successor** dies aged 75 or older, any lump sum death benefit paid from their **beneficiary's drawdown plan** is subject to income tax at the **successor**'s **marginal rate.** If the recipient is not an individual, it is subject to a 45% tax charge. **We**'ll deduct the tax before paying it out. Any income drawdown or **annuity** payments are subject to income tax at the **successor**'s **marginal rate**.

15. Transfers to another scheme

15.1 **You** can ask **us** to transfer all or part of your **plan** to:

a) another **registered pension scheme**; or

b) a **qualifying recognised overseas pension scheme**.

If **you** ask **us** to transfer only part of your **plan**, **we** may not agree to the transfer if, in our reasonable opinion, it wouldn't be cost-effective for **us** to process the transfer or to administer the part of your **plan** that's left behind. **We** won't agree to transfer only part of an **account**.

If the transfer is to a **qualifying recognised overseas pension scheme**, **we** will deduct any **lifetime allowance charge** that might apply (please see sections 4.22 to 4.24).

15.2 If **we** transfer any of your **post pension date accounts**, **we** will give the administrator of the receiving scheme the following details in respect of each **arrangement**:

a) whether **you** have **flexibly accessed** your benefits;

b) the type of income drawdown **you** have taken; and

c) in respect of **capped drawdown** only, the **income year**, the next **regular review date** (if applicable), the **maximum income** for the current **income year** (and the next **income year** if **we** have already calculated this) and the amount of income **you** have already received in the current **income year**.

All **post pension date accounts** within the same **arrangement** must be transferred together.

15.3 If **you** ask **us** to transfer only part of your **plan**, **you** must tell **us** which investments **we** should sell to pay the **transfer payment** or which investments to transfer if section 15.9 applies.

If **you** ask **us** to transfer all of your **accounts**, **we** will either:

a) sell all of the investments held for **you** under the **plan**; or

b) transfer some of the investments and sell the rest if section 15.9 applies.

15.4 **We** will deduct from the **transfer payment** any applicable transaction charge (described in sections 10.9 to 10.11).

As explained in sections 10.36 and 10.43, **we** will apply a **transfer charge** if **you** are transferring an **account** which is subject to an **additional charge**.

Where **you** ask **us** to transfer all of your **plan**, **we** will also deduct from the **transfer payment** any yearly administration charge (described in section 10.6) and pension fund withdrawal charge (described in section 10.7) that would have been payable on the next **yearly charge date**.

Transfer date

15.5 If **you** ask for a transfer under section 15.1, **you** may suggest the transfer date. **We** will meet that date where it is reasonably practicable for **us** to do so. **We** do however need time to make sure that **we** comply with the requirements on transfers in the **rules**. And **we** can't make a transfer until **we** have sold the assets that **we** need to sell to provide the **transfer payment**.

Beneficiary's drawdown plans

15.6 A **beneficiary** or **successor** can ask **us** to transfer any of their **beneficiary's drawdown plans** to:

a) another **registered pension scheme**; or

b) a **qualifying recognised overseas pension scheme**.

A **beneficiary** or **successor** must transfer the whole of a **beneficiary's drawdown plan** less any charges that apply. They may suggest the transfer date. **We** will meet that date where it is reasonably practicable for **us** to do so. **We** do however need time to make sure that **we** comply with the requirements on transfers in the **rules**. And **we** can't make a transfer until **we** have sold the assets that **we** need to sell to provide the **transfer payment**.

If **we** transfer a **beneficiary's drawdown plan**, **we** will give the administrator of the receiving scheme the details of the **beneficiary** and the **beneficiary's drawdown plan** which **we** are required to give.

15.7 A **beneficiary** may have multiple **beneficiary's drawdown plans** within the **scheme**. They can transfer some or all of them. **We** will sell the investments in the relevant **beneficiary's drawdown plans** to provide the **transfer payment**. Alternatively, if section 15.9 applies, **we** will transfer the relevant investments out of the **scheme**.

15.8 **We** will deduct from the **transfer payment** any yearly administration charge (described in section 10.6) and pension fund withdrawal charge (described in section 10.7) that would have been payable on the next **yearly charge date** and any applicable transaction charge (described in sections 10.9 to 10.11).

In-specie transfer payment

15.9 Instead of **us** selling investments under section 15.3 or 15.7, **you** (or a **beneficiary** or **successor**) can ask **us** to transfer the ownership of selected investments from the trustee to the trustees of the receiving **scheme**. This does not apply to any **Standard Life investment policy funds** or your holding in the **SIPP cash account**.

We will apply a 'transaction charge' for each asset transferred (see sections 10.9 to 10.11) and solicitors' charges for each property **we** transfer ownership of (see section 10.54) to the trustees of the receiving scheme.

You must sell sufficient investments to meet any charges or tax if **you** don't already have enough money in your holding in the **SIPP cash account**.

Pension sharing order

15.10 If **we** receive a **pension sharing order** in respect of your rights under the **scheme**, **we** must comply with it. If there is insufficient money in your holding in the **SIPP cash account** your **financial adviser** will have to use the **wrap platform** to sell investments on your behalf as explained in section 6.5. If your **financial adviser** fails to do, **we** will sell investments on the basis described in sections 6.6 and 6.7 to provide the **transfer payment** that's required to discharge the order (and any of our costs included in the order). **We** will also deduct the charges described in section 15.4. **We** will then pay the **transfer payment** known as a 'pension credit' to another **registered pension scheme** or **qualifying recognised overseas pension scheme** in the name of your ex-spouse or former civil partner.

Restoration order

15.11 If **we** receive a **restoration order** in respect of your rights under the **scheme**, **we** must comply with it. **We** will sell investments on the basis described in sections 6.6 and 6.7 to pay the proceeds that **we** are directed to pay under the order. **We** will also deduct the charges described in section 15.4.

16. Personal Data

16.1 We will collect and use personal information about you and any other individual named as part of your application for a wrap SIPP such as your name, date of birth and national insurance number in order to provide the wrap SIPP and our services under these terms and to manage our relationship with you.

16.2 It may be necessary as part of the wrap SIPP or our services to collect and use personal information which is defined as 'special category data' by data protection law, e.g. health related. Any such special category data will only be collected and used where it's needed to provide the wrap SIPP or services or to comply with our legal and regulatory obligations and where we have obtained your explicit consent to process such information, or where such processing is permitted under applicable data protection law.

16.3 To provide the wrap SIPP or services and meet our legal and regulatory obligations, we will keep your personal information and copies of records we create (e.g. calls with us). If the application does not proceed or when you transfer your plan in accordance with section 15, we are required to keep information for different legal and regulatory reasons. The length of time will vary and we regularly review our retention periods to make sure they comply with the relevant laws and regulations.

16.4 The information collected (including details of your wrap SIPP) may be shared with your professional advisers, including your **financial adviser** or **discretionary investment manager**; other companies in the **Phoenix group**; companies in the **Standard Life Aberdeen Group**; and other companies we work with to support us in the provision of the wrap SIPP or services under these terms. Where we consider it appropriate and lawful to do so, we may also share your information with other organisations. We may also transfer and disclose your personal information and any other information provided to us by you for the purposes of complying with an instruction from the FCA or other competent regulatory authority and with laws, regulations and FCA rules. We will only share your personal information, where it is lawful to do so and in line with our obligations to keep your information safe and secure.

16.5 The majority of your information is processed in the UK. However, some of your information may be processed by us or the third parties we work with in the European Economic Area (EEA) and countries such as the United States and India. Where your information is being processed outside of the UK, we take additional steps to ensure that your information is protected to at least an equivalent level as would be applied by UK data privacy laws e.g. we will put in place legal agreements with our third party suppliers and do regular checks to ensure they meet these obligations.

16.6 For more information on how we process your personal information and what your rights are, please read our Privacy Policy at **www.standardlife.com/privacy** or write to the Data Protection Officer at, The Phoenix Group, 1 Wythall Green Way, Wythall, Birmingham, B47 6WG.

17. Complaints

17.1 **We** have an established complaints procedure in relation to the **scheme** which conforms to the **FCA's** complaints procedure requirements. Our complaints procedure is available from the **platform customer centre**.

17.2 If **you** have a concern or complaint, please call the **platform customer centre** or write to **us** (see the contact details in section 1) with full details. Please quote any relevant dates and correspondence. **We** will discuss your issue with **you** or reply to **you** in writing and attempt to resolve it.

17.3 **We** will record details of your complaint centrally and make sure your complaint is thoroughly investigated by someone who's been trained in complaint handling.

17.4 If **we** are unable to deal with a 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.

17.5 Within eight weeks of receiving your complaint **we** will send one of the following two responses:

a) a final written response in which either **we** 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's 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 6 months; or

b) an interim written response which will explain why **we** are not in a position to make a final written 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's standard explanatory leaflet.

17.6 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.

17.7 Complaining to the Financial Ombudsman Service will not affect your rights. In general, **you** have six months from the date of our final response to refer your complaint to the Financial Ombudsman Service. The fact that **we** have categorised **you** as a retail client does not necessarily mean that **you** will be eligible to refer any complaints **you** might have about **us** to the Financial Ombudsman Service. Further information about the Financial Ombudsman Service may be found at www.financial-ombudsman.org.uk.

18. General

18.1 a) These **terms** are governed by the applicable **UK** law which is determined by where **you** live in the **UK** at the date of **application** for your **wrap SIPP.** These **terms** are subject to the **rules** of the **scheme**.

b) **You** and **we** will submit to the non-exclusive jurisdiction of the courts of the applicable **UK** country (as set out in section 18.1 a)) in relation to any claim or dispute arising under these **terms**.

18.2 Any payments made by **you** or your employer to your **plan** under section 4 must be paid in sterling. Any payments **we** make to **you**, to your **beneficiaries** or **successors** or to another scheme under sections 11 to 15 must also be in sterling.

18.3 Before making any payments to **you** or a **beneficiary** or **successor** under sections 11 to 14, **we** will deduct any tax that the **trustee** or **scheme administrator** may be required to pay to **HMRC**.

18.4 If **we** find out that the date of birth **you** (or your **dependant**) gave **us** is incorrect, **we** will adjust the **benefits** appropriately.

18.5 The notices that either **we** or **you** are required to send under these **terms** must be in writing but can be sent either (i) by email or (ii) by pre paid post to your last notified address or our address as shown in section 1.

If a notice is served by pre paid post, it will be deemed delivered five **business days** after being posted. In proving such notice it will be enough to prove that the envelope containing the notice was properly addressed, stamped and posted.

You will be deemed to have consented to receiving notices by email if **you** or your **financial adviser** has provided **us** with your email address in relation to your **wrap account**. 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.

A copy of all the notices sent to **you** regarding your **wrap SIPP** or the **wrap platform** will be sent to your **financial adviser** by email.

Regardless of the preferred method of communication, if **we** are required by law or applicable regulations in the UK to issue specific documents to **you** directly by post, **we** shall do so.

We consider emails to have the same status as documents sent by post. **You** agree not to contest the validity or enforceability of an email which relates to a transaction. **You** also expressly agree not to use the absence of a printed or hand written document as an excuse not to comply with your obligations under these **terms**.

Please note that there is no guarantee that the content of any email sent will be received, or that the contents of any such message will remain private or unaltered during sending.

We accept no liability for any damages that **you** or others may suffer as a result of the alteration or loss of confidentiality of any emailed information or electronic message.

We reserve the right to monitor the use and content of emails which are sent from and received by **us** for the purposes of ensuring compliance with our own email policy, and identifying and taking action against unlawful or improper use of our systems.

We virus scan all emails but will not be responsible for any damage caused by a virus or alteration by a third party after it is sent. **We** recommend that **you** employ reasonable virus detection and protection measures when accessing emails from **us**.

Your right to cancel

18.6 If **you** have an option under the **FCA rules** to change your mind about setting up your **plan** or exercising an option, for example, to take income drawdown under your **plan**, **we** will inform **you** about the option and how long it lasts. If **you** exercise such an option and **we** refund any adviser charges that **we** have paid to your **financial adviser**, on your behalf, **you** may still be liable to pay these charges to your **financial adviser**. Our **key features document** sets out when **we** can deduct investment losses from a refund of payments.

How to contact us

18.7 If **you** have any questions or if **you** wish to see the trust deed and the **rules**, our contact details are in section 1. Our complaints procedure is described in section 17.

18.8 **You** will receive yearly statements from **us** showing payments into the **scheme** and the value of your **plan**.

18.9 The Pensions Advisory Service (TPAS) is available to help **you** (and your **beneficiaries** and **successors**) if **you** are not satisfied with the way that the **scheme administrator** has dealt with your problems. **You** can contact TPAS at 11 Belgrave Road, London SW1V 1RB.

18.10 The Pensions Ombudsman can investigate and rule on any complaint of maladministration or dispute of fact or law in relation to your **plan**. **You** can contact the Pensions Ombudsman at the Office of the Pensions Ombudsman, 10 South Colonnade, Canary Wharf, London E14 4PU or **you** can find more information at: www.pensions-ombudsman.org.uk.

The Financial Services Compensation Scheme (FSCS)

18.11 Cash and investments in your **wrap SIPP** may be eligible for cover under the FSCS. For information on the compensation available under the FSCS, please ask your **financial adviser**, refer to the **key features document** for **wrap SIPP**, check our website at www.standardlife.co.uk/investor-protection or contact FSCS at www.fscs.org.uk or 0800 678 1100. Please note call charges may vary. Please also note that the fact that **we** have categorised **you** as a retail client does not necessarily mean that the **trustee** will be eligible to claim compensation from the FSCS on your behalf.

Changing or replacing these terms

18.12 **We** can make reasonable and appropriate changes to these **terms** (or issue a replacement set of terms and conditions in their place) at any time while these **terms** are in force:

a) if the conditions for tax exemption of the **scheme** change; or

b) if the legal or regulatory requirements applying to the **scheme**, the **trustee** or the **scheme administrator** change; or

c) if the legal or regulatory requirements applying to the **wrap account** or any **wrap products** or to the **insurer** change; or

d) if decisions of the Financial Ombudsman Service or the Pensions Ombudsman need to be reflected in these **terms**; or

e) if new industry guidance and codes of practice which are there to raise standards of consumer protection need to be reflected in these **terms**; or

f) if it becomes impossible or impracticable, in our reasonable opinion, to carry out any of the **terms** as a result of a change in the law or regulation or other circumstances beyond our control; or

g) if the tax treatment applicable to any **wrap product** or of Self Invested Personal Pension Schemes (including the **scheme**) or of Standard Life changes or is due to change in a manner which has affected or would affect the **wrap SIPP** in any way; or

h) **we** have to pay a government levy; or

i) to allow **us** to respond proportionately to changes in the Bank of England base rate of interest, or to changes in other specified market rates or indices or tax rates; or

j) to reflect the increase in our costs associated with **Standard Life Savings** providing **you** with the **wrap account** and/or any **wrap product** provided that those costs are reasonably incurred; or

k) to reflect improvements to the **wrap platform** that technological, service or propositional enhancements have allowed Standard Life Savings to make; or

l) where such change is not to your detriment, including to correct errors or inaccuracies.

18.13 The latest version of these **terms** are always available on our website www.standardlife.co.uk/wrapinfo and you should refer to them regularly. They are also available by contacting your **financial adviser** or **us**. Subject to section 18.14, **we** will give **you** three months' notice of a change to these **terms** and this notice may be included in your periodic statements or other documentation we issue to you. Amendments made to these **terms** which are immaterial or not to your detriment will not require notification. Where **we** notify **you** we will also provide **you** with a revised version of this document or just the amended **terms** by post or by posting them on the **wrap platform** or directing **you** to our website.

18.14 Changes to these **terms** that are outside of our control (e.g. a change in legislation) or which are immaterial or not to your detriment can take effect immediately. All other changes will take effect no earlier than three months from the date of our notification of the change or any later date specified in our notification. When **we** notify **you** of a change, **we** will state the reasons for the change.

18.15 If **you** object to a change implemented by **us** in respect of the valid reasons contained in these **terms** please contact your **financial adviser** but please note your only recourse may be to close your **wrap account** and transfer your **plan** to another scheme.

18.16 If **you** object to a change implemented by **us** in respect of valid reasons which are not mentioned in these **terms**, **you** can notify your objection within the 3 month notice period by contacting the **platform customer centre** as explained in section 1. **You** will then have 90 calendar days to close your **wrap account** (as explained in section 9 of the **client terms and conditions for wrap services**) and transfer your **plan** to another scheme (as explained in section 15 of these **terms**) and **we** will waive any exit fees normally applicable. **You** will still have to pay any applicable **additional charge** if **you** are still in the **charging period**. **You** will also have to pay any charges from third parties that **we** are able to pass on to **you** under these **terms** or the **client terms and conditions for wrap services**.

18.17 Please see section 10 for details of the circumstances where **we** may amend our charges and the procedures **we** will follow.

Force Majeure

18.18 The performance of our obligations under these **terms** may be interrupted and will be excused by the occurrence of a **force majeure event** affecting **us** or any of our key sub–contractors.

18.19 These **terms** reflect the law in April 2020.

Annex 1 Glossary

account is explained in section 2.2.

additional charge is explained in sections 10.33 and 10.42. It's the sum of money **we** collect over the **charging period** from:

- an **account** set up to receive a single payment or a **transfer payment** if **you** asked **us** to pay **funded initial commission** (or the equivalent adviser remuneration) to your **financial adviser** for that **account**. **We** express this charge as a percentage of the current value of the **account** to which it applies; or
- the **accounts** described in section 10.42 if **you** asked **us** to pay **funded initial commission** (or the equivalent adviser remuneration) to your **financial adviser** when **you** first start to take income from your **plan**. **We** express these charges as percentages of the value of the **accounts** to which they apply.

advised portfolio means each portfolio of investments on the **wrap platform** (whether administered on the **wrap platform** or through **Standard Life Savings'** separate investment functionality) for which your **financial adviser** provides **you** with advice and/or carries out your investment instructions but which it does not manage on a discretionary basis.

adviser terms and conditions means the terms and conditions relating to **financial advisers'** use of the wrap platform, and the conditions under which they can provide **Standard Life Savings** with instructions on behalf of their customers, including yourself. The **adviser terms and conditions** can be amended from time to time.

annual allowance is explained in section 4.21.

annual allowance charge is explained in section 4.21.

annuity is a contract bought from an insurance company that provides a series of guaranteed payments to an individual for a set period that is normally for the lifetime of the individual.

arrangement means a sub-division of your **plan** and will normally consist of all your **pre** and **post pension date accounts** except for those described in section 2.10.

authorised person means a person who has access to the **wrap platform** for transactional and information purposes. This will include your **financial adviser** and if applicable, any **discretionary investment manager** appointed by **you**.

basic amount is defined in the **rules**. It's £3,600 (including basic rate tax relief) for the 2019/2020 tax year. **HMRC** may increase the basic amount. To find out if they have done so, please check with your **financial adviser** or see our leaflet 'Information about tax relief, limits and your pension' (GEN658).

beneficiary means a **dependant**, a **nominee** or a **successor**, or any other person chosen by **us** from the list of beneficiaries described in the **rules** to receive death benefits from your **plan**.

beneficiary's drawdown plan means a **drawdown pension fund** that **we** use to provide benefits to a **beneficiary**. **We** need to keep separate records of a **beneficiary's drawdown plan** and no further payments can be paid in.

benefit means any **tax-free lump sum**, income drawdown or **annuity** taken from a **registered pension scheme.**

blended fund means an **internal fund** where the **insurer** uses a number of underlying funds that could be the **insurer's** own funds or funds of an **external fund manager** with the aim of achieving the **internal fund's** investment objective.

business day means 9am to 5pm on any day except for Saturdays, Sundays, public holidays in the **UK** and Christmas Eve. It would also not be a **business day** where the London Stock Exchange or the major clearing banks in the City of London and Edinburgh are closed for an unexpected reason.

capped drawdown is a type of income drawdown described more fully in sections 11.13 and 14.4. Since 6 April 2015, it is no longer possible to select capped drawdown as an option however **we** will continue to administer it for **members** or **dependants** who selected it before that date.

charging period means the period notified to **you** during which **we** will collect an **additional charge**:

- from an **account** because of the **funded initial commission** (or equivalent adviser remuneration) **we** have paid on a single or **transfer payment** to the **plan** as explained in sections 10.33 to 10.37; or
- from **accounts** because of the **funded initial commission** (or equivalent adviser remuneration) **we** have paid when **you** first started to take income drawdown from your **plan** as explained in sections 10.42 and 10.43.

charging schedule means the schedule of charges or 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**.

cleared funds means monies that have been credited to your **wrap cash account** and/or your holding in the **SIPP cash account** and are available for **you** to invest. According to the method used to transfer money to your **wrap cash account** and/or the **SIPP cash account** it will take more or less time for sums transferred to be available for **you** to invest.

client terms and conditions for wrap services means the terms and conditions document issued to **you** by your **financial adviser** when **you** opened your **wrap account**, as amended in accordance with its terms.

data protection law means any law that applies from time to time to the processing of personal information or special category data by us, **Standard Life Savings**, your financial adviser or the discretionary investment manager under these terms.

dependant is used in these **terms** in accordance with its definition in the **rules**. The definition includes your husband, wife or civil partner, a **dependent child** and anyone who is financially dependent on **you**. Please check the **rules** and/or consult your **financial adviser** if **you** are uncertain if anyone **you** wish to be considered as a **dependant** falls within the categories above.

dependant's pension account means the part of an **account** that **we** use to provide a pension to a **dependant**. **We** need to keep separate records of a **dependant's pension account** and no further payments can be paid into such an **account**.

dependent child means any natural or adopted child of yours who, when **you** die, is under 23 or dependent on **you** because of disability.

discretionary investment manager is explained in section 5.19.

discretionary investment manager agreement means the agreement between **Standard Life Savings** and a **discretionary investment manager** or Standard Life Savings and your **financial adviser** relating to the **discretionary investment manager's** or your **financial adviser's** use of **Standard Life Savings**' separate investment management functionality, and the conditions under which the **discretionary investment manager** or your **financial adviser** will be able to provide instructions. The **discretionary investment manager agreement** can be amended from time to time.

drawdown investment mix is explained in section 2.8.

drawdown pension fund means a sum of money within a **registered pension scheme** that has been designated for income drawdown.

drawdown pot is explained in section 2.5.

earmarking order is an order by which, in the case of a divorce, **a member's benefits** can be used to pay either maintenance or a capital sum to the **member's** ex-spouse. The sum earmarked for the ex-spouse only becomes payable when entitlement arises under the **member's** pension scheme.

execution-only stockbroker means the stockbroker appointed by **us** from time to time for **SIPP members** who wish to make execution-only trades without receiving advice from the stockbroker.

For more information, please see sections 5.15 to 5.18.

external assets are financial investments that **you** own but which **you** do not hold directly within your **wrap account**.

external fund means a fund managed by an **external fund manager**.

external fund manager means:

- the manager (including managers in the **Standard Life Aberdeen group**) of a **mutual fund** in which a **Standard Life investment policy fund** invests; or
- an insurance company (other than Standard Life Assurance Limited) that manages an insured fund which is used by a **Standard Life investment policy fund**.

FCA means the Financial Conduct Authority or any successor regulator which regulates our investment business. The **FCA** can be contacted at 12 Endeavour Square, London E20 1JN.

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

financial adviser means any financial intermediary who:

- is authorised under **FSMA** either directly or as an appointed representative of an authorised entity;
- provides **you** from time to time with financial and investment advice(whether on an independent or restricted basis) and/or providing you with an informed choice or execution only service; and
- has signed the **adviser terms and conditions** and is therefore authorised to use the **wrap platform**.

Where your **financial adviser** uses **Standard Life Savings**' separate investment management functionality to administer **advised portfolios**, the adviser is also subject to **Standard Life Savings'** advised portfolio terms and conditions. The advised portfolio terms and conditions can be amended from time to time.

five–yearly review date means the date that falls five years after the 'relevant date' for an **arrangement**, as explained below.

- For each **arrangement** described in section 2.10 and created before 6 April 2011, the 'relevant date' is normally the date set under the **transferring scheme**.
- For the **arrangement** described in section 2.9, if the first **post pension date account** was created on or after 6 April 2006 but before 6 April 2011, the 'relevant date' is the date on which that first **post pension date account** was created.
- For a **beneficiary's drawdown plan** created before 6 April 2011, the 'relevant date' is your date of death.

In general, the first **five–yearly review date** for an **arrangement** will be its last. But where **we** have agreed to bring forward a **five–yearly review date** for an **arrangement** to the start of an **income year** beginning before 6 April 2011, there is a second **five–yearly review date** on the fifth anniversary of the start date of that **income year**.

flexible account is explained in section 2.2.

flexible drawdown is a type of income drawdown described more fully in sections 11.12 and 14.3. Before 6 April 2015, there were certain eligibility criteria that had to be met before an individual could take flexible drawdown.

flexibly accessing is when **you** take benefits from your **plan** on or after 6 April 2015, but it doesn't include taking a **tax-free lump sum**, 'small pot' lump sum, **capped drawdown** or buying an **annuity**. (A 'small pot' lump sum is a certain type of lump sum payment not greater than £10,000. **We**'ll tell **you** if a payment constitutes a 'small pot' lump sum.) Whenever **you** first **flexibly access** benefits from a **registered pension scheme**, **you** will receive a notification from the pension provider that **you** have done so. It is your responsibility to inform all pension providers of whom **you** are a customer that **you** have received such a notification or **you** may be fined by **HMRC**.

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

- act of God, fire, earthquake, storm or flood;
- explosion, nuclear accident or collision;
- sabotage, riot, civil disturbance, insurrection, epidemic, national emergency (whether in fact or law) or act of war (whether declared or not) or terrorism;
- requirement or restriction of or failure to act by any government, semi–governmental or judicial entity (other than a regulatory change);
- unavoidable accident;
- loss of supply of essential services including but not limited to electrical power, telecommunications, air conditioning and essential third party services;
- any 'denial of service' or other targeted network attack; and
- any other cause beyond our reasonable control,

as a consequence of which **we** can no longer administer your **wrap SIPP** for a given period.

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

fund based renewal commission is a payment that **you** may have asked **us** before 15 October 2012 to make to your **financial adviser** at regular intervals for example monthly, quarterly, half yearly and for which **we** deduct a **regular charge** (as explained in sections 10.45 to 10.47) from your holding in the **SIPP cash account**. The payment is a percentage based on the total value of the investments held in your **wrap SIPP** at the time **we** make the payment on your behalf.

funded initial commission is a one–off payment which is paid by **us** to your **financial adviser** if **you** instructed **us** to do so before 15 October 2012. (It also includes remuneration, benefits or services to your **financial adviser** that correspond to **funded initial commission**.) It's usually paid on the day **we** create an **account** for **you** but it may also be paid on the day when **you** start to take an income from the **plan**. **We** recover the cost of it (or the equivalent adviser remuneration) from your **account** by levying the **additional charge** over the **charging period**. It differs from unfunded **initial commission**. **Funded initial commission** is not available if **you** are aged 69 or over.

HMRC means HM Revenue and Customs.

income year means the period during which **we** can pay an income, up to the **maximum income** from a **post pension date account** or a **beneficiary's drawdown plan**. Each **arrangement** has its own **income year**. If **you** transfer in a **drawdown pension fund** the **income year** for the **transfer payment** will normally be set by the **transferring scheme**.

index of average weekly earnings means the whole economy index of average weekly earnings for all employees in Great Britain that's published by the Office for National Statistics under the reference KA5Q. The earnings include bonuses but are not seasonally adjusted.

initial charge is:

- the sum of money **we** deduct from each payment to your **flexible account** if **you** asked **us** before 15 October 2012 to pay **level commission** (or the equivalent adviser remuneration) to your **financial adviser** (as described in section 10.31); or
- the sum of money **we** deduct from an **account** set up for a single or **transfer payment** if **you** asked **us** before 15 October 2012 to pay **initial commission** (or the equivalent adviser remuneration) to your **financial adviser** for that **account** (as described in section 10.32); or
- the sum of money **we** deduct from your **plan** if **you** asked **us** before 15 October 2012 to pay **initial commission** (or the equivalent adviser remuneration) to your **financial adviser** when **you** first start to take income from your **plan** (as described in section 10.41).

initial commission is a one off payment paid by **us** directly to your **financial adviser** if **you** instructed **us** to do so before 15 October 2012.

In-specie transfer payment means a **transfer payment** into the **plan** from another pension scheme (or a **transfer payment** from the **scheme** to another pension scheme) of the actual assets held as opposed to the cash value of these assets.

insurance company means an insurance company as described in section 275 of the Finance Act 2004.

insurer means Standard Life Assurance Limited. It's the **insurer** of the Standard Life Investment Policy, which is a master policy issued to the **trustee**. For more information, please refer to section 7.

internal fund means a fund that's managed by Standard Life Assurance Limited on the basis described in section 7.3.

key features document is a document that sets out the main aims and features of each **wrap product**. This document will be given to **you** by your **financial adviser** when a **personal illustration** for any **wrap product** is requested.

level commission is a payment that **you** may have asked **us** (before 15 October 2012) to make to your **financial adviser** each time a payment is made to your **flexible account**. (It also includes remuneration, benefits or services to your **financial adviser** that correspond to **level commission**.) **We** make an **initial charge** from each payment which matches the **level commission** (or equivalent adviser remuneration) that **we** pay out.

lifetime allowance is explained in section 4.22.

lifetime allowance charge is explained in section 4.22.

listed securities means any of the securities which **we** make available on the **wrap platform** which are bought and sold using our **execution-only stockbroker** including stocks, shares and debt securities or other investments listed on a **recognised stock exchange**.

managed portfolio means each portfolio of **investments** actively managed by a **discretionary investment manager** or your **financial adviser** on the **wrap platform** (where they use **Standard Life Savings**' separate investment management functionality) in accordance with the portfolio strategy that applies to it.

managed portfolio statement means the statement of the assets managed or administered by a **discretionary investment manager** or **financial adviser** (where they use **Standard Life Savings**' separate investment management functionality) on the **wrap platform.**

manager means the investment manager of a **mutual fund**.

marginal rate means the highest band of income tax applied to an individual's annual income in the UK expressed as a percentage.

maximum income means the maximum yearly income allowed by **HMRC**. It's calculated separately for each **arrangement**. It's worked out by multiplying by 150% the income produced for that **arrangement** from the Government Actuary's Department's tables.

The **maximum income** is recalculated for the **regular review date** and then yearly once **you** (or your **dependant**) turn 75. The **maximum income** could increase or decrease as a result of the review.

If **you** are (or your **dependant** is) under 75, **you** (or they) can ask **us** to bring forward the next **regular review date** for an **arrangement** to the start of the next **income year**. If **we** agree to do so, **we** will recalculate the **maximum income** for that **arrangement** in the 60-day period ending on the start date of the next **income year**. The new **maximum income** will then apply to that **arrangement** from the start of the next **income year**.

The **maximum income** for the **arrangement** described in section 2.9 is also recalculated between **regular review dates** if a new **post pension date account** is created. If this recalculation produces a higher maximum than before, the new limit will apply immediately. But if it's done on or after 6 April 2011 and produces a lower maximum than before, the new limit won't apply until the start of the next **income year**.

If before your 75th birthday any **post pension date account** in an **arrangement** is used to buy an **annuity**, or to provide a transfer value under a **pension sharing order**, the **maximum income** for that **arrangement** will be recalculated after the annuity purchase price or transfer value is deducted. But the new limit won't apply until the start of the next **income year**. This calculation won't be made if the annuity purchase date or transfer date occurs in an **income year** that ends with a **regular review date** as that review will include these changes.

member means a person who has applied for and been accepted as a member of the **scheme**.

money purchase annual allowance is explained in section 4.21.

monthly charge date means the day in each month on which **we** deduct any monthly charges for the commission described in sections 10.33, 10.39 and 10.42. It is the same day as **we** created your first **account** under the **plan**. But if the first **account** was a **flexible account**, it is the same day as **we** expected to receive the first payment. If **we** created your first **account** on the 31st day of a month, the **monthly charge date** is the last day of each month. If **we** created it on the 29th or 30th day of a month, the **monthly charge date** in February is the last day of February. In the case of a **beneficiary's drawdown plan**, it would be the day of the month on which **you** or the relevant **beneficiary** or **successor** died.

mutual fund means a fund operated by a **manager** which raises money from investors and invests in a group of assets, in accordance with a stated set of objectives. Unit trusts and OEICs are examples of **mutual funds**.

nominee means an individual or charity or any other person nominated by **you** to receive death benefits from your **plan**.

off-platform assets means all investments in your **wrap account** which are held and/or managed off the **wrap platform,** including assets within your **wrap SIPP** managed by a **discretionary investment manager** off the **wrap platform .**

pension date is the date on which **we** start, at your request, paying **you** a **benefit** from a part of your **plan**. It is explained in section 2.3.

pension sharing order is defined in the **rules** and can apply if **you** are getting divorced.

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

Phoenix group means Phoenix Group Holdings and its subsidiaries and subsidiary undertakings from time to time.

plan means the total of all of the **accounts we** have created for **you** under the same **plan** number.

platform charge means the charge levied by **Standard Life Savings** or another member of the **Standard Life Aberdeen group** based on the value of **platform eligible assets** in your **wrap account** for the services on the **wrap platform** and some administration of the **wrap products** as set out in section 10.15. Please see Part 1C of the **charging schedule** for details.

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 section 1.

platform eligible assets means (as relevant to **you**) cash in your **wrap cash account**, cash in your **portfolio cash account**, cash in your cash wrap ISA and the cash accounts for each **wrap product you** hold and all investments in your **wrap account** (with the exception of listed securities in your **wrap SIPP**) which are held and/or managed on the **wrap platform**, including investments within a **managed portfolio** or **advised portfolio,** and which excludes **off-platform assets** and **external assets.**

portfolio cash account means the account(s) holding the cash element of each **managed portfolio** or **advised portfolio** (where your **financial adviser** uses **Standard Life Savings'** separate investment management functionality).

portfolio manager fee means the fee levied by a **discretionary investment manager** or **financial adviser** (where they use **Standard Life Savings'** separate investment management functionality) for managing certain assets on the **wrap platform** as detailed in section 19.19 of the **client terms and conditions for wrap services** and Part 2C of the **charging schedule**. Please note that the **portfolio manager fee** only applies to certain assets managed by the **discretionary investment manager** or your **financial adviser** on the **wrap platform**. It does not apply to assets administered by your **financial adviser** in an **advised portfolio**.

post pension date account is explained in sections 2.3 and 2.4.

pre pension date account is explained in section 2.3.

pricing point means the time at which the price of individual **units** in a **mutual fund** are calculated. **Mutual funds** are generally priced on each **business day**, although some **mutual funds** are priced weekly or at other frequencies. Information on when each **mutual fund** available from the **wrap platform** is priced can be obtained from your **financial adviser** or the **platform customer centre**.

product administration charge means the charge levied by **us** to cover **our** costs of providing your **wrap SIPP** as set out in section 10.14. Please see Part 1C of the **charging schedule** for details**.**

product confirmation schedule is a document which is sent to **you** and/ or your **financial adviser** after **we** have received an online application for a **wrap SIPP**. The purpose of the **product confirmation schedule** is to provide **you** or your **financial adviser** (on your behalf) 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 **terms**.

prospectus means the current prospectus or **scheme** particulars issued by the **manager** of a **mutual fund** and which contains details about that **mutual fund**. Where a **mutual fund** is available to **you** on the **wrap platform**, **you** can also ask your **financial adviser** for a copy of the fund factsheet produced for that fund.

qualifying recognised overseas pension scheme means, as explained in the **rules**, a pension scheme based outside of the **UK** to which a **UK registered pension scheme** is allowed to transfer money or assets without a tax penalty.

recognised fund means a **mutual fund** which is not based in the **UK** but is approved by the **FCA** for selling to customers in the **UK**.

recognised stock exchange means the London Stock Exchange plc, but not investments traded on AIM; the PLUS Markets plc PLUS-listed market segment; and any recognised overseas stock exchange. A list of the current overseas **recognised stock exchanges** is normally available on the HM Revenue & Customs website (on the date of first publication of these **terms**, the relevant website address is http://www.hmrc.gov.uk/fid/rse.htm).

refund of excess contributions lump sum means a refund of payments that have exceeded **HMRC's** limits for tax relief as described in section 4.3.

registered pension scheme is a pension scheme registered by **HMRC**. Examples of the types of schemes that are **registered pension schemes** are personal pension schemes, stakeholder pension schemes, occupational pension schemes, retirement annuity contracts and buy-out policies.

regular charge is the charge that **we** will take if **we** are paying **fund based renewal commission** (or the equivalent adviser remuneration) to your **financial adviser**. The **regular charge** that **we** take from an **account** matches the **fund based renewal commission** (or equivalent adviser remuneration) that **we** pay in relation to that **account**.

regular review date means the **five-yearly review date** or the **three-yearly review date**. Once **you** or your **beneficiary** reach age 75, yearly reviews apply, using the same day and month as the **regular review date**. (If someone turned 75 before 22 June 2010, their yearly reviews were normally aligned to their birthday.)

relevant UK earnings are defined in section 189(2) of the Finance Act 2004 and include the following:

- if **you** are employed, the income that **you** receive from your employer in a **tax year**. (This is usually your pay or salary from your job but could also include the value of other benefits from your job that are taxable); and
- if **you** are self-employed, the income that **you** receive in a **tax year** from carrying on your trade, profession or vocation (this could include patent income from an invention of yours); and
- the income from any **UK** furnished holiday letting business; to the extent that this income is taxable in the **UK**

relevant UK individual means that:

- **you** have **relevant UK earnings** for the **tax year** chargeable to income tax; or
- **you** are resident in the **UK** at some time during the **tax year**; or
- **you** have (or your husband, wife or civil partner has) general earnings for the **tax year** from overseas Crown employment subject to **UK** tax; or
- **you** were resident in the **UK** both at some time during the five previous **tax years** and when **you** became a member of the **scheme**.

restoration order means an order under the Bankruptcy (Scotland) Act 1985 or the Insolvency Act 1986 to restore excessive pension contributions to a bankrupt's estate.

Revenue means Her Majesty's Revenue and Customs.

rules means the rules of the Standard Life Self Invested Personal Pension Scheme. To get a copy of the trust deed and **rules** please contact your **financial adviser**.

savings investment mix is explained in section 2.7.

savings pot is explained in section 2.5.

scheme means the Standard Life Self Invested Personal Pension Scheme. It's registered with **HMRC** under Chapter 2 of Part 4 of the Finance Act 2004.This means that contributions to the **scheme** qualify for income tax relief and your investments will be free from **UK** capital gains tax.

scheme administrator means Standard Life Assurance Limited, or any other company or person or group of individuals that replaces Standard Life Assurance Limited as **scheme administrator**.

SIPP cash account means the bank or building society account that the **trustee** uses for money movements within the **scheme**.

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

Standard Life investment policy funds means the pension funds available for **you** to invest in under the Standard Life Investment Policy. **You** can get a list of these **Standard Life investment policy funds** from your **financial adviser**.

Standard Life Savings means Standard Life Savings Limited, 1 George Street, Edinburgh, EH2 2LL. **Standard Life Savings** is a wholly owned subsidiary of Standard Life Aberdeen plc. It's authorised and regulated by the **FCA** in the conduct of its investment business. It's on the Financial Services Register with registration number 188796.

successor means an individual or charity or any other person nominated by a **beneficiary** or another **successor** to receive death benefits from your **plan**.

tax-free lump sum means the amount of your benefits that can be taken tax-free at a **pension date** and is explained in sections 11.6 to 11.9.

tax year means the period from 6th April in one year to 5th April of the next year.

terms means these Terms and Conditions.

three–yearly review date means the date that falls every three years after the 'relevant date' for an **arrangement**, as explained below.

- For the **arrangement** described in 2.9, if the first **post pension date account** is created on or after 6 April 2011, the 'relevant date' is the date on which that first **post pension date account** is created.
- For each **arrangement** described in section 2.10 and created on or after 6 April 2011, the 'relevant date' is normally set by the **transferring scheme**. But if the **transferring scheme** hasn't set a **three–yearly review date** and the transfer occurs in an **income year** that ends before 25 March 2013, it's the start date of the first **income year** which begins after the **arrangement** is created.
- For each other **arrangement** created in the **scheme** before 6 April 2011, the 'relevant date' is the **five–yearly review date** for that **arrangement** which falls on or after 6 April 2011. If **we** have agreed to bring forward a **five–yearly review date** for an **arrangement** to the start of an **income year** beginning after 6 April 2011, the 'relevant date' is the start date of that **income year**.
- For a **beneficiary's drawdown plan** created on or after 6 April 2011, the 'relevant date' is your date of death.

transfer charge is the charge that **we** will take if:

- **you** make a **transfer payment** out of the **scheme**; or
- **we** pay a transfer value for your ex–spouse or ex–civil partner under a **pension sharing order**; or
- **you** buy an **annuity**; or
- **we** comply with a **restoration order**; or
- **we** pay a **refund of excess contributions lump sum**;

out of any of your **accounts** which are subject to an **additional charge** and still within their **charging period**. Sections 10.36 and 10.37 describe how **we** will calculate the **transfer charge** for an **account**.

We will deduct the **transfer charge** from the amount to be transferred or paid.

transfer payment means:

- a payment made into your **plan(s)** from another pension scheme; or
- a transfer from a **plan** of yours into another pension scheme.

(Also see **in–specie transfer payment**.)

transferring scheme means a pension scheme (or other pension arrangement or policy) in which **you** are currently a member and from which **you** want to transfer some of all of your benefits.

trustee means the trustee of the Standard Life Self Invested Personal Pension Scheme. The current **trustee** is Standard Life Trustee Company Limited whose address is Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH. If Standard Life Trustee Company Limited ceases to be the trustee of the **scheme**, **'trustee'** will mean, the other company or person or group of individuals that replaces Standard Life Trustee Company Limited as **trustee** of the **scheme**.

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

UK resident means a person who:

(i) is resident in the **UK**; or

(ii) performs duties which, by virtue of Section 28 of Income Tax (Earnings & Pensions) Act 2003 (Crown employees serving overseas), are treated as being performed in the United Kingdom; or

(iii) is married to, or in a civil partnership with, a person who performs such duties.

units are fractions of funds which are available to investors to buy and sell. **Mutual funds** are divided into units specifically for this purpose. The legal structure of some **mutual funds** means that the term 'share' is more legally accurate than 'unit'. However, for clarity **we** have used '**unit**' throughout this document. **Standard Life investment policy funds** are also divided into **units**.

we and **us** mean the **scheme administrator**.

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

wrap cash account means the account which **Standard Life Savings** will operate as the main cash account within your **wrap account**. The cash in this account can be used to purchase new **wrap products** and this account can be used to make payments to and receive payments from your **wrap products**.

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 and Wrap Personal Portfolio and any other products available for holding within a **wrap account**.

wrap SIPP means the SIPP provided by Standard Life Assurance Limited for holding within a **wrap product** portfolio.

yearly charge date is the anniversary of the day **we** created your first **account** under the **plan**. If the first **account** is the **flexible account**, it's the anniversary of the date on which **we** expected to receive the first payment to the **flexible account**. In the case of a **beneficiary's drawdown plan**, it's the anniversary of your death or the death of the relevant **beneficiary** or **successor**.

you means the person who is applying for or has successfully applied for a **wrap SIPP** with **us**.

Annex 2 Examples

Please note that the examples contained in this Annex 2 are only included to help **you** understand a complex calculation or process that has been referred to in these **terms**. **We** have simplified the description used in these examples, to make them easier to understand.

Section 2.7: Example of how the savings investment mix is calculated

When **we** create a new **pre pension date account** for **you**, **you** can tell **us** how **you** would like the payment(s) to that account to be invested.

For instance, assuming that **you** have just started the **plan** and want to invest £10,000 **you** can tell **us** to invest £4,000 in investment A and £6,000 in investment B. At this stage your investment mix in your **pre pension date account** is 40% in investment A and 60% in investment B.

Your **savings investment mix** is calculated by dividing the amount **you** hold in a particular investment by the total value of your **pre pension date account** and expressing this ratio as a percentage.

So continuing the previous example and assuming that one year after **you** joined the **scheme** the following has happened:

- your initial investment has increased from £10,000 to £11,000 and the value of your investment in A is £4,600 (41.8%) and the value of your investment in B is £6,400 (58.2%); and
- **you** want to transfer £15,000 to the **plan** and invest that sum in investment C, **we** will create a second **pre pension date account** for **you**, as explained in section 2.2, and **you** will have a total of £(11,000 + 15,000 = 26,000) invested via your two **pre pension date accounts**.

Following the creation of your second **pre pension date account**, your **savings investment mix** on that day will be as follows:

- £4,600 out of £26,000 is invested in investment A so investment A represents 17.7% of your **savings investment mix**;
- £6,400 out of £26,000 is invested in investment B so investment B represents 24.6% of your **savings investment mix**; and
- £15,000 out of £26,000 is invested in investment C so investment C represents 57.7% of your **savings investment mix**.

The percentage of the **savings investment mix** that an investment represents will change as the value of the investment changes.

When **you** have more than one **pre pension date account we** will treat all your **pre pension date accounts** as being invested according to the **savings investment mix**.

Section 7.32: Example of how the management charge is calculated

To calculate the management charge that will be deducted on a particular day from a **Standard Life investment policy fund**, the annual rate of the management charge is divided by 365 (or 366 in a leap year) to obtain the daily rate and this rate is multiplied by the value of the fund on that day.

So, assuming that the annual rate of the management charge is 1.0%, a single day's charge is being taken and that the value of the fund on a particular day is £100,000, the management charge that will be deducted from the fund on that day is £2.74 (i.e. 1%/365 x 100,000).

As the value of the fund fluctuates every day, the value of the amount charged to the fund will also fluctuate.

Section 11.10: Example of the process by which investments are moved out of the savings investment mix into the drawdown investment mix**.**

Assume that **you** have £100,000 in your **pre pension date accounts** and that your **savings investment mix** is as follows:

- 10% in **Standard Life investment policy fund** A worth £10,000;
- 5% in **Standard Life investment policy fund** B worth £5,000;
- 15% in **Standard Life investment policy fund** C worth £15,000;
- 20% in **mutual fund** D worth £20,000;
- 23% in company E shares worth £23,000; and
- 27% in cash worth £27,000, held in the **SIPP cash account**.

This means that 30% of your investments are in **Standard Life investment policy funds** and 70% are in 'additional investments'.

If **you** ask **us** to use £60,000 to start paying benefits to **you**, **we** will create a **post pension date account** with £60,000 worth of investments. **You** can tell **us** exactly how much of your investment in the **Standard Life investment policy funds you** want **us** to transfer so, for instance, **you** could tell **us** to transfer £8,000 of **Standard Life investment policy fund** A and all of your **Standard Life investment policy fund** C investments (worth £15,000). This means that **you** want **us** to transfer £37,000 from your 'additional investments' (mutual fund D, company E shares and cash) which is 37/70ths (37,000/70,000) of these investments.

We will therefore transfer 37/70ths of each of your 'additional investments' to your **post pension date account**

- £10,571.43 (37/70ths x £20,000) worth of **mutual fund** D;
- £12,157.14 (37/70ths x £23,000) worth of your company E shares; and
- £14,271.43 (37/70ths x £27,000) worth of cash.

So the £60,000 held in your **post pension date account** will be invested as follows:

- £8,000 in **Standard Life investment policy fund** A;
- £15,000 in **Standard Life investment policy fund** C;
- £10,571.43 in **mutual fund** D;
- £12,157.14 in company E shares; and
- £14,271.43 in cash held in the **SIPP cash account**.

This means that your **drawdown investment mix** will be:

- 13.33% (8,000/60,000) in **Standard Life investment policy fund** A;
- 25.00% (15,000/60,000) in **Standard Life investment policy fund** C;
- 17.62% (10,571.43/60,000) in **mutual fund** D;
- 20.26% (12,157.14/60,000) in company E shares; and
- 23.79% (14,271.43/60,000) in cash.

The percentage of the **drawdown investment mix** that an investment represents will change as the value of the investment changes.

Annex 3 Protection from the lifetime allowance

This table summarises the higher levels of **lifetime allowance** which could apply to **you** if **you**'re eligible for protection now, or if **you** have previously applied to **HMRC** for protection. If **you** think **you** could be affected by the **lifetime allowance**, **we** strongly suggest **you** discuss the situation with your **financial adviser**. There may be a cost for this.

Type of protection	Are you eligible?	What would your lifetime allowance be? (See Note 1)	Can you still apply to HMRC?	Can you continue saving into a pension?
Fixed protection 2016	Yes, if **you** stopped saving into any pension plans before 6 April 2016.	£1.25 million	Yes	No (See Note 2)
Individual protection 2016	Yes, if the total value of all your pension rights at 5 April 2016 was more than £1 million.	The actual value of your pension rights at 5 April 2016, capped at £1.25 million.	Yes	Yes
Individual protection 2014	Yes, if the total value of all your pension rights at 5 April 2014 was more than £1.25 million.	The actual value of your pension rights at 5 April 2014, capped at £1.5 million.	No	Yes
Fixed protection 2014	Yes, if **you** stopped saving into any pension plans before 6 April 2014.	£1.5 million	No	No (See Note 2)
Fixed protection 2012	Yes, if **you** stopped saving into any pension plans before 6 April 2012.	£1.8 million	No	No (See Note 2)
Enhanced protection	Yes, if **you** stopped saving into any pension plans before 6 April 2006.	Unlimited (See Note 3)	No	No (See Note 2)
Primary protection	Yes, if the total value of all your pension rights at 5 April 2006 was more than £1.5 million.	**You**'d have a personal **lifetime allowance** higher than the standard **lifetime allowance** (See Note 4)	No	Yes

Note 1 – If the standard **lifetime allowance** overtakes the limit described in this column, the standard **lifetime allowance** will apply instead.

Note 2 – Enhanced protection and all three versions of Fixed protection can be lost in certain circumstances, for example if contributions are made after the date on which they should have stopped. You should ask your **financial adviser** for full details.

Note 3 – Unless you had rights at 5 April 2006 to a **tax-free lump sum** greater than £375,000, your maximum **tax-free lump sum** at **pension date** will be 25% of the standard **lifetime allowance** or 25% of £1.5 million, whichever is higher.

Note 4 – Your **lifetime allowance** would be related to the total value of all your pension rights on 5 April 2006. Prior to 6 April 2012, it would have been calculated in proportion to the standard **lifetime allowance** in force during the **tax year** in which you were taking **benefits**. Since 6 April 2012, it's been calculated in proportion to the 'peak' **lifetime allowance** of £1.8 million. Currently this means that it would be 120% of the value of your pension rights at 5 April 2006 (i.e. £1.8 million/£1.5 million x value of pension rights at 5 April 2006) subject to any adjustment for pension sharing on divorce.

Pensions Savings Investments Insurance

Find out more

Talk to your financial adviser for advice on how to plan for your financial future, or if you're ready to start, they'll give you the application form you need to set up your plan.

Call us on 0345 279 1001

(Mon–Fri, 9am to 5.30pm). Call charges will vary and calls may be recorded and/or monitored to help improve customer service.

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Standard Life Savings Limited, registered in Scotland (SC180203), is the provider of the Wrap Platform and has its registered office at 1 George Street, Edinburgh EH2 2LL.

Standard Life Assurance Limited, registered in Scotland (SC286833), is the provider of the Standard Life Self Invested Personal Pension Scheme.

Standard Life Trustee Company Limited, registered in Scotland (SC076046), is the trustee of the Standard Life Self Invested Personal Pension Scheme. The registered office of both companies is at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH.

Standard Life Savings Limited is authorised and regulated by the Financial Conduct Authority, and Standard Life Assurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
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