Charges and discounts
International Bond

Our International Bond puts you firmly in control. You can change your strategy as time goes on, and you’ll only pay for the services you use.

This guide explains the charges you will pay and any discounts you may receive.

The International Bond can be written on either a Capital Redemption or Life Assurance basis. Unless otherwise stated, all information in this document shall apply to either option.

There are two types of charges that you may pay us for your International Bond; product charges and investment charges. The charges that you pay will vary depending on the value of your bond and the investment/services you choose.

You may also agree to pay your financial adviser a charge; we show the options available.

1. Product Charges (stepped)
2. Investment charges
3. Large fund discounts
4. Adviser charges

Charges and where they may apply

<table>
<thead>
<tr>
<th>International Bank account</th>
<th>Insured funds</th>
<th>Mutual funds</th>
<th>Whole of Market funds</th>
<th>Elevate General Investment Account (GIA)</th>
<th>Discretionary investment managers (DIM)</th>
<th>Deposits and structured deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stepped product charge</td>
<td></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Investment charges*</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Large fund discount</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adviser charge</td>
<td></td>
<td></td>
<td></td>
<td>Depending on how you choose to pay for advice a charge may be applied to your bond. See 'Adviser charges' for more detail.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*See 'Investment Charges' for details of how the various charges might apply, depending on the chosen investment type.
1. Product charges

Stepped product charge

There is a ‘stepped product charge’ based on the type of investment you choose.

We calculate the charge against the value held in each investment. It’s taken monthly in arrears.

It is based on the total bond value which means the percentage we charge decreases as the bond value increases.

Yearly charge for each investment type against the value of the investment:

<table>
<thead>
<tr>
<th>Total bond value (£)</th>
<th>Insured funds</th>
<th>Mutual funds</th>
<th>Whole of market funds</th>
<th>Deposits and structured deposits</th>
<th>Discretionary investment managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1,000,000</td>
<td>0.00%</td>
<td>0.35%</td>
<td>0.45%</td>
<td>0.20%</td>
<td>0.20%</td>
</tr>
<tr>
<td>£750,000 – £999,999</td>
<td>0.00%</td>
<td>0.40%</td>
<td>0.50%</td>
<td>0.25%</td>
<td>0.25%</td>
</tr>
<tr>
<td>£500,000 – £749,999</td>
<td>0.00%</td>
<td>0.45%</td>
<td>0.55%</td>
<td>0.30%</td>
<td>0.30%</td>
</tr>
<tr>
<td>£250,000 – £499,999</td>
<td>0.00%</td>
<td>0.50%</td>
<td>0.60%</td>
<td>0.35%</td>
<td>0.35%</td>
</tr>
<tr>
<td>£150,000 – £249,999</td>
<td>0.00%</td>
<td>0.65%</td>
<td>0.75%</td>
<td>0.50%</td>
<td>0.50%</td>
</tr>
<tr>
<td>£0 – £149,999</td>
<td>0.00%</td>
<td>0.70%</td>
<td>0.80%</td>
<td>0.55%</td>
<td>0.55%</td>
</tr>
</tbody>
</table>

Total Bond value (£) Elevate General Investment Account

| £0 – £100,000              | 0.55%         |
| £100,000 – £150,000        | 0.45%         |
| £150,000 – £250,000        | 0.40%         |
| £250,000 – £500,000        | 0.25%         |
| £500,000 – £750,000        | 0.20%         |
| £750,000 – £1m             | 0.15%         |
| Over £1m                   | 0.10%         |

Example:

You have £150K invested across three different investment options. The stepped product charges that apply would be:

£50K – invested in insured funds – 0% charge

£50K – invested in mutual funds – 0.65% on that 50K and

£50K – invested in whole of market funds – 0.75% on that 50K

2. Investment charges

Funds

You can access the latest fund charge information including factsheets for insured and mutual funds online at www.standardlife.co.uk/pricing. You can also find more general information on investments in our ‘Summary of Insured Funds’ guide (IB11a).

Fund management charge (FMC)

This charge is made for the management of your investment(s) and/or for administration costs. The charge varies depending on the investment(s) selected, and is taken from the investment(s) each day before the unit price is calculated.

Additional expenses (AE)

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

Where additional expenses apply, they are taken into account when the fund’s unit price is calculated each day.
**Mutual funds / whole of market funds – Initial Charge (IC)**

Some fund managers may take an initial charge from investments into particular funds. This means that less than 100% is invested for that specific fund. The charge varies.

Where this applies, a percentage charge is taken when each time an investment into the fund takes place.

**Switching your investment**

We don’t normally charge for switching between investments although depending on the type of investments involved you may incur dealing and custodial charges.

You can give your financial adviser authority to make fund switches on your behalf. Please speak to your adviser if you wish to arrange this.

Your Policy Provisions provides details of how switch instructions are processed. You can contact us for details of the timings that will apply to specific transactions.

**Dealing and custodial charges**

We will levy a dealing and custodial charge of £20 for each buy or sell involving whole of market funds. This is taken from your IB bank account.

Some fund providers may also apply early withdrawal charges – the fund’s prospectus will contain details if this applies.

**Other investment options**

**Investing in the Elevate General Investment Account**

If you invest on the *Elevate Platform via the Elevate GIA, the charges will be made up of:

- The Portfolio charge which Elevate take to carry out orders to buy and sell investments and service your account.
- The charges for any specific investments selected.
- Any charges for investing via a DIM (where applicable)

Please refer to the Elevate Charges Information Document, which is available from your financial adviser, for the charges relating to your Elevate investments.

**Deposit account charges**

Some deposit account providers may impose a transaction charge when transferring money from the deposit account to the International Bond bank account.

The provider can typically take 2-3 days (although it can be up to 5 days) to transfer money. They may charge more if the transfer of money is a ‘same-day’ transfer.

They may also apply early withdrawal charges if money is withdrawn from fixed term or notice accounts before the end of the term or without providing appropriate notice.

**Investing via a Discretionary investment manager**

A charge is made by the appointed discretionary investment manager.

Their charge will be made up of two components:

- The charge the discretionary investment manager takes for managing investments.
- The charges applied to the investments they choose. (FMC, AE, IC)

The discretionary investment manager may send statements directly to you for your information. If so, these will include details of the charges applying to specific investments they choose and manage.

Some discretionary investment managers may apply their own dealing and custodial charges. Such charges will be included within the fund management charge applied by the discretionary investment manager.

*Elevate Portfolio Services Limited trades as Elevate and is part of the Standard Life Aberdeen group. Elevate Portfolio Services Limited (01128611) is registered in England at 14th Floor, 30 St Mary Axe, London EC3A 8BF and authorised and regulated by the Financial Conduct Authority.*
3. Large fund discounts

Large fund discounts only apply to investments in our insured funds and vary depending on the size of your investment in that range.

We use the total bond value to set the rate of the large fund discount. This discount will then be applied to the insured funds linked to your bond.

Discounts are applied monthly in arrears by creating new units in the insured funds. These are in proportion across the whole insured fund holding.

Large fund discounts can have the effect of reducing your charges.

<table>
<thead>
<tr>
<th>Total bond value (£)</th>
<th>Discounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1,000,000</td>
<td>0.35%</td>
</tr>
<tr>
<td>£750,000⁻ 999,999</td>
<td>0.30%</td>
</tr>
<tr>
<td>£500,000⁻ 749,999</td>
<td>0.25%</td>
</tr>
<tr>
<td>£250,000⁻ 499,999</td>
<td>0.20%</td>
</tr>
<tr>
<td>£150,000⁻ 249,999</td>
<td>0.05%</td>
</tr>
<tr>
<td>£20,000⁻ 149,999</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

4. Adviser charges

You can:

- pay your financial adviser direct, with no involvement from us, or
- request us to facilitate these payments.

Adviser charges that can be paid:

- Initial adviser charge
- Regular initial adviser charge
- Ongoing adviser charge
- Ad hoc adviser charge

If you wish for us to facilitate these payments then your adviser will be able to supply you with a copy of the ‘Terms and conditions for paying your adviser’ (IBAC62).

Adviser charges taken from inside the bond are counted as withdrawals and accounted for when calculating chargeable gains. If you have chosen the Capital Redemption option, please note that any adviser charges taken from inside the bond will result in a proportionate reduction in the Guaranteed Maturity Value (GMV). Further information regarding the GMV can be found in the Capital Redemption option Key Features Document (IB17CRB) and Policy Provisions (IB62CRB).

If you pay ongoing adviser charges as a percentage of the value of your bond, and the bond value increases, the ongoing adviser charge will also increase. This is important if withdrawals are being taken. We recommend that you take appropriate tax advice before asking us to facilitate adviser charges.

Other information applies to all charges

We reserve the right to increase the charges we make in the future. This might happen if, for example:

- tax rules change
- our staff or overhead costs are more than we expected
- there have been changes in the assumptions we made when setting the charges

Discretionary adjustments

We may make discretionary adjustments to reflect costs incurred in managing a fund. For example, a fund manager experiences a significant number of investors leaving the fund and needs to apply an adjustment to reflect the costs of selling assets.