

Note:- Please keep a copy of these Intermediary Terms of Business for your future reference.

Intermediary Terms of Business regulating relations between Standard Life Bank plc and Intermediaries

Our Intermediary Terms of Business is one of several documents which governs your relationship with Standard Life Bank. The Intermediary Terms of Business is a framework document which covers the general principles of the way we wish to do business with you.

The table below describes the other documents which govern your relationship with us.

Document	Description
Product literature	Each of the products offered by Standard Life Bank has its own product terms. Our product literature is available on-line on our financial intermediary extranet adviserzone or on request from us.
Remuneration terms	From time to time we will issue documents which set out the terms of the remuneration options available to you, for example commission terms.
Correspondence between us	During the course of our relationship, we may agree new terms or changes to our terms in an exchange of letters between us.
Other terms which we agree	We may agree additional terms and conditions for arrangements which arise as a result of depolarisation, for example multi-tie or single-tie arrangements.
Terms of use for additional services	We have additional terms and conditions for use of our e-commerce services, for example our extranet, adviserzone.

The Intermediary Terms of Business will set out the following:

- Who we can accept business from (Submitting Business)
- How we remunerate you (Remuneration)
- What you can do for us (Working with us)
- How we will treat personal and sensitive data (Data Protection)
- What we can do for you (Working with you)
- How our relationship may be changed or ended (Changing or Ending Our Relationship)

These Intermediary Terms of Business will apply to the Intermediary, the Intermediary's business writers and employees and, if the Intermediary is a network member, they will also apply to the Intermediary's network. The Intermediary is responsible for ensuring that its business writers, employees, and any network it is a member of are aware of these Intermediary Terms of Business and comply with them.

Definitions

In the Intermediary Terms of Business, when we refer to:

"**Account Holder**", we mean either an individual aged 16 or over, who has opened a savings account, or an account in respect of any other product offered by the Bank, or a corporate body which has opened a business account or an account in respect of any other product offered by the Bank;

"**Applicant**", we mean a person or persons applying for a mortgage from the Bank;

"**client**", we mean any client who you provide advice to;

"**you**", "**your**" or "**Intermediary**", we mean the person or firm named in the registration form to set up an agency account with Standard Life Bank and who these Intermediary Terms of Business apply to. An Intermediary may be:

- a sole trader;
- a partnership;
- a limited company;
- a parent or holding company; or
- a company which operates as a network of intermediary firms and/or business writers (network); and

"**we**", "**us**", "**our**" or "**Standard Life Bank**", we mean Standard Life Bank plc (Registered Number SC173685) having its Registered Office at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH.

A *Submitting Business*

We can only accept business from you and your business writers if:

- you or your business writers are authorised to submit business to us as an intermediary by the Financial Services Authority (FSA);
- you or your business writers satisfy our due diligence requirements; **and**
- your client is resident in the UK.

We do not have to accept any business from you or any of your business writers.

We are required to monitor and record the business you submit to us. If you submit business to us outside your scope of permissions granted by the FSA, we are duty bound under the FSA Rules to report such instances to the FSA. We may also hold you liable for any costs incurred by us if we have to cancel or re-write the business.

For client money purposes, you will act for the client and comply with the FSA Rules. You are not our agent. We will not be liable for any client monies until they are received by us.

B *Remuneration: Payable*

Your options

There are many remuneration options available to you. Our product literature, remuneration terms documents and correspondence between us will describe what your options are.

FSA Rules

All matters relating to your remuneration will be in accordance, where appropriate, with any applicable rules of the FSA imposed upon the financial services industry.

Your remuneration will be detailed in your client's Key Facts Illustration.

Setting expectations

We will agree the shape and amount of remuneration we will pay to you for business submitted. The terms of any remuneration will depend on the business currently being submitted and business you have submitted to us in the past. The connection between the business submitted and the amount of your remuneration is a fundamental point in remunerating you. If the business submitted to us does not meet the expectations you set (for example, you represent the business as regular premium paying business but the business is short term or the premiums immediately reduce or stop completely) then we will be entitled to reclaim your remuneration.

If you have told Standard Life Bank that you do not wish to receive commission, you must notify us in writing if you wish subsequently to resume receiving commission.

Own life business

We reserve the right to impose stricter remuneration terms when you submit business to us in relation to and/or for the benefit of you, your family, employees, directors or officers of your firm and the family of employees, directors and officers of your firm. Family includes your spouse, civil partner, cohabitee, parents, uncles, aunts, children, siblings or grandchildren. It can also include any other person whom we reasonably believe should fall within this definition.

Identification

To ensure that Standard Life Bank calculates and pays your remuneration correctly, it is your responsibility to quote the appropriate agency code and FSA registration number each time you introduce business to Standard Life Bank.

When we will not remunerate you

We will **not** remunerate you if:

- you agree with us that a product provider, other than Standard Life Bank, is responsible for remunerating you.
- you agree with us that another financial intermediary is entitled to the remuneration for the business submitted to us.
- we have told you that we will not accept any business from you and you continue to submit business to us.
- the business is submitted by one of your business writers who we have told you we will accept no further business from.
- you write to us and tell us that you do not wish to receive any remuneration.
- the business submitted is outside your scope of permissions granted by the FSA.

We will **stop** remunerating you if:

- you stop being authorised or your authorisation is suspended by the FSA or professional body.
- your client bank is transferred or you no longer act for the client to which the commission relates.
- any of the activities you are required to notify us about happen (see section on Working with us).
- you become unable to provide advice to or service your client.
- we end our relationship with you.
- you die and you were a sole trader.
- we are waiting for information from the appropriate authorities about any charge or criminal conviction involving fraud or other dishonesty which affects you, your principals or any of your directors or partners.

We will **stop** remunerating you in relation to a particular client if:

- your client notifies us that you have stopped providing the services to which the remuneration relates.
- your client terminates the contract for the business placed with Standard Life Bank or transfers the business to another product provider.
- your client notifies us that they have appointed a new financial intermediary.
- the Applicant defaults on a loan.

Remuneration: Repayable

You will **repay** your remuneration to us if:

- we remunerate you up front but your client reduces or stops their monthly payments or decides to take their business away from us or the term of the business reduces.
- your client cancels the business submitted during the cancellation or cooling-off period or after making a complaint against you.
- your remuneration is dependent on conditions being met and these conditions are not met. For example, if the business submitted to us does not meet the expectation you set as to premium term, level or frequency.
- we remunerate you when you were not entitled to payment. For example, if we remunerate you in error, or we make an overpayment to you or the contract to which the payment relates is declared void or does not start.

If we become aware that any of these events have occurred we will notify you, for example, by letter, e-mail or in your statement of remuneration.

If your client bank is transferred, you will remain liable for the repayment of any up front commission until we receive written confirmation that another financial intermediary has accepted this liability.

Remuneration: Debt

If you are in debt to us, we may use any money owed to you by us to reduce your debt.

If you are in debt to us and do not repay us within 3 months of us notifying you of the debt, you must pay compound interest on the debt to us from the date we notify you of the debt to the date you repay the debt. We will apply the same interest rate as the rate for English County Court judgement debts. You may also have to pay us any legal fees we incur in recovering the debt from you.

You do not need to pay interest to us if you repay the debt to us within 3 months.

If you do not comply with our demand to repay any sums to us and you have a parent or holding company or are a member of a network, we will demand repayment from your parent or holding company or network instead.

If you are a parent or holding company or network and/or have a number of intermediary accounts with us, if the debt on one account is not repaid to us within 3 months, we may freeze one or all of your accounts and use any money within any of those accounts to reduce the debt.

Remuneration: Changes

We reserve the right to change our remuneration terms (including remuneration repayment terms), our remuneration structure and our remuneration rates at any time. From the date we notify you of, these changes will apply to any remuneration for all new business submitted to us and any existing business that is remunerated by the method which has been changed.

Payment of Premiums and Commission

If you undertake to the Applicant or Account Holder to pass monies to Standard Life Bank, you must do so promptly and without deduction.

If you undertake to pass to the Applicant or Account Holder all or part of any remuneration payable to you by Standard Life Bank, details of such an arrangement must be passed to Standard Life Bank.

C Working with us

You must:

- only carry out business and promote business in the UK.
- conduct all your business in accordance with the applicable FSA rules.
- comply with all obligations imposed on you by the FSA, UK and European legislation and Standard Life Bank.
- comply with all the Anti Money Laundering obligations imposed on you by the FSA and UK legislation and our own requirements for client identification.

You must **notify us immediately** if any of the following happen:

- you stop acting as an agent for any client who has placed business with us.
- you cease to be authorised by the FSA or your professional body.
- you change the legal set up of your firm, for example, if you change from being a partnership to a limited company.
- you, your principal, or any of your directors or partners:
 - are charged with or convicted of an offence of dishonesty, for example, fraud or theft;
 - enter into a voluntary arrangement with creditors;
 - has bankruptcy or liquidation proceedings commenced against you or them;
 - has a receiver appointed over its assets.

If you have any books, documents, computer software or hardware which belong to us, you must always be able to make them available to us for inspection, and return them to us immediately should we ask for them back.

Intellectual property

You must respect our **intellectual property rights**. You must **not**:

- use any of the trade marks or copyright materials of Standard Life Bank in such a way that it adversely affects our reputation or suggests that you are affiliated to us or that there is a partnership or joint venture between us.
- register any domain name or apply to register any trade mark which includes or is confusingly similar to any of the Standard Life Bank domain names, company trading names, brands or trade marks.

We have granted you a licence to use the Standard Life logos and our PDF materials to recommend us to your clients and potential clients. We also allow you to link from your website to the home pages of the Standard Life Bank websites. You must always use the most up to date versions of our logos and PDF materials.

We have the right to revoke your licence at any time. We also have the right to insist on you seeking our prior approval of any particular use of our materials.

Your licence is limited, non-exclusive and it may not be assigned or sub-licensed.

Indemnity

You must **indemnify** us for any loss incurred by us if any of the following happen:

- you submit business to us beyond your authorisation
- you supply incorrect information to us
- you infringe any of our intellectual property rights

D Data protection

Data controllers

You and Standard Life Bank are both data controllers of the personal data that is processed in relation to your clients and customers of Standard Life Bank. Data controller has the same meaning as that in the Data Protection Act 1998 (**the Act**). You and the companies in Standard Life Bank are independently responsible for complying with the Act.

Personal data

We may need to collect personal data about you and any person associated with or employed by you (**the data subject**) when you complete your application form for registration and thereafter throughout the course of business with you. We will use this personal data to process your application for registration and on an on-going basis to administer your account and develop our business relationship.

Standard Life Bank will carry out a credit reference search against all Applicants. Each time you refer an Applicant to Standard Life Bank, it must be confirmed that you have discussed this with the Applicant and that the Applicant has consented to the search, on the following basis.

- Standard Life Bank will carry out a credit search with credit reference agencies that will supply Standard Life Bank with credit information, including information from the Electoral Register, and will record the details of the search. Standard Life Bank may use credit-scoring methods to assess this application.
- The Applicant must understand that the information held about them by credit reference agencies may be linked to records relating to their current or previous partners. The Applicant may be treated as financially linked to records relating to their current or previous partner. The Applicant may be treated as financially linked because 'associate' records will be relevant to the assessment of their application.
- Standard Life Bank will also carry out a search with fraud prevention agencies in order to protect itself and its customers from potential theft or fraud. Standard Life Bank and other organisations may also access and use this information to prevent fraud and money laundering, for example, when:
 - i. Checking details on applications for credit and credit related or other facilities;
 - ii. Managing credit and credit related accounts or facilities;
 - iii. Recovery of debt;
 - iv. Checking details on proposals and claims for all types of insurance;
 - v. Checking details of job applicants and employees.
- If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information.
- Standard Life Bank and other organisations may access and use, from other countries, the information recorded by fraud prevention agencies.
- If you are unable to provide all the details of the relevant fraud prevention agencies to the Applicant, please inform them that they can contract us at Standard Life Bank, Dundas House, 20 Brandon Street, Edinburgh EH3 5PP.

Sensitive data

We may collect sensitive data (as defined in the Act) which may include information relating to a data subject's physical or mental health, religious or political beliefs and/or ethnic origin throughout the course of our commercial relationship with you. We will use any sensitive data to ensure that our dealings with you are managed in accordance with your needs and the needs of the data subject. If you or the data subject disclose any sensitive data to us, the data subject will be deemed to have been made aware of the provisions of this paragraph and to have given his or her express consent to it being used and held by us as set out in this paragraph.

Disclosure of data

We will not disclose personal or sensitive data to a third party unless:

- we are required to do so by law;
- the data subject has given his or her consent to such disclosure; or
- we have appointed a third party to provide an administrative service on our behalf.
In this situation we will ensure that all appropriate safeguards are put in place to protect the confidentiality of the relevant personal and/or sensitive data.

We reserve the right to share any of the information you have provided to us or the information we hold about your account with other financial institutions, regulatory authorised credit reference agencies and associated groups (for example, the ELIXIR database maintained by Crif Decision Solutions Limited on behalf of financial services organisations). You are hereby deemed to have given your consent to this and accept that this is in accordance with Rule 15.8.3R of the FSA Handbook's supervision provisions.

Personal data that has been gathered by Standard Life Bank about you, your employees and your clients, may be passed to fraud prevention agencies and the FSA in order to protect Standard Life Bank and its customers from potential theft or fraud. Standard Life Bank may record any suspicion of fraud.

We reserve the right to use any information or data supplied by you to us for the purposes of exchanging information with other parties we contract with, conducting market research, preparing strategic or other marketing plans, or gauging product sales or product performance. All these activities may be carried out by us alone or in conjunction with another party. We will not identify any of your clients if we take part in these activities. You are deemed to have given your consent to this.

You must use all reasonable endeavours to inform all data subjects of the provisions of these paragraphs about data protection.

Security

You must keep secure any security information (for example, identifiers passwords, digital certificates) which you use to access information provided by us on our computer systems or on a third party's computer system (for example portal service providers, back office software providers).

E Working with you

Communications

We may record and monitor telephone calls and e-mails. You are deemed to have given your consent to this.

We consider e-mails to have the same status as documents faxed to us or sent by post. You agree not to contest the validity or enforceability of an e-mail message which relates to a transaction. You also expressly waive any right to raise any defence of waiver of liability based upon the absence of a memorandum in writing or a failure or defect of execution.

There can be no guarantee that any e-mail you send to us will be received by us or that the content of the e-mail will remain private or unaltered during its transmission to us. We will accept no liability for any loss of damage you may suffer as a result of this. If this causes you concern, you may prefer to contact us by telephone or post.

We virus scan all e-mails 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 e-mails from us.

We may communicate directly with your client. If we send information to you which needs to be completed or reviewed by your client, you must forward it to your client immediately.

We will communicate our statement of account to you in the format agreed between us. We rely on our statement of account as the record of your remuneration. If the statement of account contains the wrong information or does not contain the right information, we will look at our other records.

Compensation

The remuneration we pay is intended to cover all the ongoing services you provide to your client. In certain circumstances we may pay compensation to you to cover your reasonable loss but only if, in our opinion, **all** of the following apply:

1. You were required to carry out additional work of an exceptional nature; and
2. The additional work was as a direct result of our negligence; and
3. You have instituted or have grounds for instituting legal proceedings against us; and
4. Our legal representative believes it would be sensible and economical for the claim to be settled in this way.

The compensation payment may be made without any admission of liability.

Additional Services

We may offer you additional services, for example training, or e-commerce services. We will notify you of any additional terms of use for these additional services. Where the additional terms of use require acceptance by you, we will consider you to have agreed to any additional terms of use if any of your employees or representatives agree to the terms on your behalf.

F Changing or Ending Our Relationship

Our relationship may be changed or ended at any time.

A change to our relationship with you may include us notifying you that we will no longer accept business from a particular business writer.

If we no longer wish to accept business from you or a particular business writer, we will either end our relationship with you or we will agree with you in writing that our relationship will continue but with certain additional conditions attached. Additional conditions may include our refusal to accept business from a particular business writer.

If our relationship ends, we will stop remunerating you. You will remain liable to us for any up front remuneration or any overpayment or remuneration we have made to you after our relationship has ended.

If we have to change the terms of this document, we will notify you that the change will take place, describe the nature of the change and the date on which it will happen. We will aim to give you at least one month's notice of the change. If the reason for the change is because of change in legislation or a

change by a regulator then we may not be able to give you one month's notice but we will let you know as soon as we can. Any new version of this document will automatically replace the previous version.

If you are not prepared to work with us on the basis of any new terms, you must contact the Commission Department at Standard Life Bank to let us know that you wish to end your relationship with us.

Notices

Notice of a change to or the end of our relationship must be in writing. We will send any notice to your main place of business or any other address for correspondence you have notified us of. You must send notice to us at the following address, or any other address we have notified you of:

Commissions Team
Standard Life
Exchange Crescent
1 Conference Square
Edinburgh
EH3 8RA

General

If we fail to enforce any of our rights regarding our relationship with you on any occasion, this will not stop us from enforcing them on another occasion.

If any of the terms of our relationship with you are found to be unenforceable by a court, then that will not affect the other terms.

Neither you or us intend for the terms of our relationship to be enforceable by someone who is not a party to the terms of this document.

These Intermediary Terms of Business and our relationship will be governed by English Law and the parties submit to the non-exclusive jurisdiction of the English courts.

If you have hearing or speech difficulties – please call our Textphone facility direct on 0845 601 2346.

For a copy of this information in Braille, large print or audio format, please call 0845 845 8450.

Standard Life Bank plc, registered in Scotland (SC173685), Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH, authorised and regulated by the Financial Services Authority, except for Buy to Let.

Calls may be recorded/monitored. Calls from BT landlines will cost a maximum of 5p per minute.

The price of calls from other networks may vary.

www.standardlife.co.uk

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