

STRICTLY PRIVATE AND CONFIDENTIAL

[DATE]

Dear

NON-EXECUTIVE DIRECTOR APPOINTMENT

On [DATE], upon the recommendation of the Nomination & Governance Committee, the Board of Standard Life plc ('the Company') agreed to invite you to be a non-executive director. I am writing to set out the terms of the appointment. This is a contract for services and is not a contract of employment. Your position as a non-executive director is subject to the provisions of the Company's Articles of Association ('the Articles').

1. Appointment

1.1 Your appointment as a director of the Company commences on [DATE] and will be for an initial term of three years, unless terminated earlier. Continuation of your appointment thereafter is contingent on re-election at subsequent AGMs. Non-executive directors are typically expected to serve two three-year terms, although the Board may invite you to serve for an additional period.

1.2 This letter relates to your position as a non-executive director of the Company. Should you be asked to serve on one or more of the Committees of the Board, this appointment would be covered in a separate communication setting out the Committee's terms of reference, any specific responsibilities and any additional fees that might be involved. In the future, you may also be asked to serve as a non-executive director on the board of any of the Company's other subsidiary or joint venture companies, or as senior independent director. Any such appointment would also be covered in a separate communication.

2. Time Commitment

2.1 It is anticipated that an overall commitment of around 30-35 days per annum will be required to cover regular Board, Board Committee and Shareholder meetings. These will include the AGM, Board strategy days, visits to some of the principal subsidiary companies, and presentations. In addition, you will be expected to devote appropriate preparation time ahead of each meeting.

2.2 You have confirmed that you are able to allocate sufficient time to meet the requirements of your role.

3. Role

3.1 As a non-executive director, your role is to participate fully in the functioning of the Board, advising, supporting and challenging management as appropriate. Your duties as a director are set out in the Companies Act 2006 but essentially, all directors are required to:

- act in accordance with the Company's articles of association;
- exercise care, skill and diligence in carrying out their duties;
- avoid conflicts of interest (see section 5.1 below for further details);
- declare interests in proposed transactions or arrangements with the Company (see section 5.2 below);
- not accept any benefit from a third party which is conferred on him by virtue of his position as a director, or for doing or not doing something as a director, unless the benefit is offered by the Company, or the benefit could not reasonably be regarded as being likely to give rise to a conflict of interest;
- provide entrepreneurial leadership of the Company and its subsidiary companies and joint ventures ('the Group') within a framework of prudent and effective controls which enables risks to be assessed and managed;
- set the Group's strategic aims, ensuring that the necessary financial and human resources are in place for it to meet its objectives, and review management performance;
- set the Group's values and standards and ensure that its obligations to its members and others are understood and met; and
- exercise independent, unfettered judgement on issues of strategy, performance, resources, key appointments and standards of conduct.

3.2 In addition to these requirements, as a non-executive director your role has the following key elements:

Strategy; you should constructively challenge and contribute to the development of strategy;

Performance; you should scrutinise the performance of management in meeting agreed goals and objectives, and monitor the reporting of performance;

Risks; you should satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People; you are responsible for determining appropriate levels of remuneration of executive directors, and have a prime role in appointing, and where necessary removing, senior management, and in succession planning.

4. Fees and Expenses

4.1 Fees are currently payable to each non-executive director at the rate of £xx,xxx per annum, inclusive of all attendance fees for meetings of any Board Committee which you may attend, and membership of the board of any subsidiary or joint venture company, but excluding any additional remuneration payable for acting as chairman of any Board Committee or subsidiary company or joint venture, or as senior independent director. The level of fees is subject to annual review by the Board in January. This review will not necessarily lead to an increase.

4.2 Fees are paid subject to any deductions which the Company may be required to make, including deductions in respect of tax and national insurance contributions. The fees will be paid monthly, in arrears, and will be reviewed regularly.

4.3 The Company will reimburse you for all reasonable and properly documented expenses you incur in performing the duties of your office.

5. Other Appointments, Conflicts of Interest, Outside Interests and Changes in Personal Details

5.1 It is accepted and acknowledged that you have business interests other than your office as a director of the Company and that you have notified the Board in writing of all your other directorships, appointments and interests, including any actual or potential conflicts of interest. In the event that you become aware of any actual or potential conflicts of interest in the future, including those of your connected persons, these should be disclosed to the Chairman and Group Company Secretary as soon as possible. The approval of the Chairman should be sought before accepting any additional external appointments, or changing the terms of any current appointments and any actual or potential conflicts of interest will require to be authorised by the Board. Following approval, your Outside Appointments and any potential or actual conflicts of interest will be recorded on the Register maintained by the Group Secretariat.

5.2 You should also be aware that any interest that you or any of your connected persons may have in any transactions or arrangements proposed by the Company, or which the Company is engaged in, must be declared to the Board. This includes shares which you hold in Standard Life plc. There is no share ownership guideline for non-executive directors but they are encouraged to acquire and maintain a shareholding in Standard Life plc.

5.3 You must inform the Group Secretariat promptly of any changes in your address or other personal information.

6. Confidentiality

- 6.1 Both during and after your time as a non-executive director of the Company, you will not use for your own or another's benefit, or disclose or permit the disclosure of, any confidential information of any member of the Group.
- 6.2 These restrictions shall cease to apply to any confidential information which may (other than by reason of your breach of these terms) become available to the public generally.
- 6.3 You will be required to adhere to the Company's policies and procedures in accordance with the Group's internal control framework, information on which will be provided to you following your appointment.

7. Induction

- 7.1 Following your appointment, the Company will provide a comprehensive, formal and tailored induction for you.

8. Review process

- 8.1 The performance of individual directors and the whole Board and its Committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role, you should discuss them with the Chairman as soon as is appropriate. If you have concerns about the running of the Company or a proposed action which cannot be resolved, and you choose to resign, you should provide an appropriate written statement to the Chairman for circulation to the Board.

9. Insurance

- 9.1 The Company currently has Directors' and Officers' liability insurance in respect of each of its directors and it is intended to maintain such cover for the full period of your appointment. Details of the current indemnity limit and the extent of cover may be obtained from the Group Company Secretary. The Company also provides an indemnity to each of its directors.

10. Independent Professional Advice

- 10.1 Occasions may arise when you consider that you need professional advice in the furtherance of your duties as a director. You are authorised to seek, at the Company's expense, appropriate professional advice inside and outside the Company when you consider this necessary to discharge your responsibilities. If you require access to any such advice, please contact the Group Company Secretary.

11. Termination

- 11.1 Either party may terminate this engagement at any time by notice on writing to the other party.

In accordance with Corporate Governance best practice, the terms of this letter will be made public. Details of your appointment will be made public via the Regulatory News Service, in accordance with the requirements of the relevant Listing Rules.

Kindly confirm your agreement to the terms set out above by signing the endorsement on the enclosed copy of this letter in the presence of an independent adult witness, who should also sign and add his or her full name and address. Please then return the copy to me at the above address.

I should like to take this opportunity to say how delighted I am that you will be joining our Board.

Yours sincerely

Gerry Grimstone
Chairman
for and on behalf of Standard Life plc.

I accept the appointment as a non-executive director of the Company on the terms set out in this letter.

Signed by..... on

in the presence of

.....Witness signature

.....Full name

.....Address

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