

STANDARD LIFE

SA 38

# The Standard Life Assurance Company

Returns to the Department of Trade and Industry  
for the year ended 15th November 1996

Accounts and statements pursuant to the Insurance Companies Act 1982  
and the Insurance Companies (Accounts and Statements) Regulations 1996

(Schedules 1,3,4 and 6)



## Statement of solvency

Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**

R9	Z4	GL	Period ended			Units
			day	month	year	
			15	11	1996	£000
		As at the end of this financial year	As at the end of the previous year		Source	
		1	2		Form	Line
						Column

**GENERAL BUSINESS****Available assets**

Other than long term business assets allocated towards general business required minimum margin	11			See instructions 1 and 2
---	----	--	--	--------------------------

**Required minimum margin**

Required minimum margin for general business	12			12 . 49
Excess (deficiency) of available assets over the required minimum margin (11-12)	13			

**LONG TERM BUSINESS****Available assets**

Long term business admissible assets	21	40304135	36057293	10 . 11
Other than long term business assets allocated towards long term business required minimum margin	22			See instructions 1 and 3
Total mathematical reserves (after distribution of surplus)	23	31043021	28195990	See instruction 4
Other insurance and non-insurance liabilities	24	1002339	580056	See instruction 5
Available assets for long term business required minimum margin (21+22-23-24)	25	8258775	7281247	

**Implicit items admitted under regulation 23(5) of the Insurance Companies Regulations 1994**

Future profits	31			
Zillmerising	32			
Hidden reserves	33			
Total of available assets and implicit items (25+31+32+33)	34	8258775	7281247	

**Required minimum margin**

Required minimum margin for long term business	41	1316045	1268239	60 . 69
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42	219341	211373	
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	43	8039434	7069874	
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	44	6942730	6013008	

**CONTINGENT LIABILITIES**

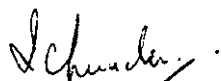
Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	51			See instruction 6
Quantifiable contingent liabilities in respect of long term business as shown in a supplementary note to Form 14	52	63000	27000	See instruction 6

**Covering sheet to Form 9**

Name of company      **The Standard Life Assurance Company**

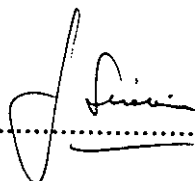
Global business

Financial year ended      **15th November 1996**



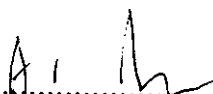
I C LUMSDEN

Director



J STRETTON

Director



A S BELL

Group Managing Director

### Statement of net assets

Name of company **The Standard Life Assurance Company**

## Global business

Financial year ended **15th November 1996**

	R10	Z4	GL	GL/UK/CM	Period ended			Units
					day	month	year	
					15	11	1996	£000
		As at the end of this financial year 1	As at the end of the previous year 2		Source			
					Form	Line	Column	
Long term business - admissible assets	11	40304135	36057293		13	89	1	
Long term business - liabilities and margins	12	40304135	36057293		14	59	1	

Other than Long term business - admissible assets		21			13 . 89 . 1
Other than Long term business - liabilities		22			15 . 69 . 1
Net admissible assets (21-22)		23			
Other assets allowed to be taken into account in covering the required minimum margin	Unpaid amounts (including share premium) on partly paid shares	24			
	Supplementary contributions for a mutual carrying on general business	25			
Liabilities allowed to be left out of account in covering the required minimum margin	Subordinated loan capital	26			
	Cumulative preference share capital	27			
Available assets (23 to 27)		29			

**Represented by:**

Paid up share capital (other than cumulative preference share capital)	51			
Amounts included in lines 24 to 27 above	52			
Amounts representing the balance of net assets	56			
Total (51 to 56) and equal to line 29 above	59			

**Movement of balance of net assets for solvency purposes - as per line 56**

Balance brought forward at the beginning of the financial year	61			10 . 56 . 2
Retained profit/(loss) for the financial year	62			16 . 59 . 1
Movement in asset valuation differences	63			See instruction 2
Decrease/(increase) in the provision for adverse changes	64			See instruction 3
Other movements (particulars to be specified by way of supplementary note)	65			
Balance carried forward at the end of the financial year (61 to 65)	69			

## Analysis of admissible assets

Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	Z4	GL	15 day	11 month	1996 year	£000	10
Investments					As at the end of this financial year 1		As at the end of the previous year 2		
Land and buildings					11	3337494		3138990	
Investments in group undertakings and participating interests	UK insurance dependants	Shares	21	19255		12792			
		Debt securities issued by, and loans to, dependants	22	50		50			
	Other insurance dependants	Shares	23	55247		35583			
		Debt securities issued by, and loans to, dependants	24						
	Non-insurance dependants	Shares	25	54272		53896			
		Debt securities issued by, and loans to, dependants	26	208449		32270			
	Other group undertakings and participating interests	Shares	27						
		Debt securities issued by, and loans to, group undertakings	28						
		Participating interests	29	299827		1264140			
Debt securities issued by, and loans to, undertakings in which the company has a participating interest		30	53285		51616				
Total sheet 1 (11 to 30)					39	4027879		4589337	

**Analysis of admissible assets**Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**Category of assets **Total long term business assets**

			Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
			R13	Z4	GL	15 day	11 month	1996 year	£000	10
Investments (continued) Deposits with ceding undertakings Assets held to cover linked liabilities						As at the end of this financial year 1		As at the end of the previous year 2		
Other financial investments	Equity shares				41	16106118		14165778		
	Other shares and other variable yield securities				42	36701		40499		
	Holdings in collective investment schemes				43	1870787		1442988		
	Rights under derivative contracts				44	8397		233		
	Debt securities and other fixed income securities	Fixed interest	Approved securities		45	8964901		7387228		
			Other		46	3318317		3182570		
		Variable interest	Approved securities		47	53842				
			Other		48	4000				
	Participation in investment pools				49					
	Loans secured by mortgages				50	2189028		2179291		
	Other loans	Loans to public or local authorities and nationalised industries or undertakings			51					
		Loans secured by policies of insurance issued by the company			52	114901		111798		
		Other			53	2177		38600		
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less			54	351870		406734		
		Withdrawal subject to a time restriction of more than one month			55	190034		15034		
	Other				56	15119		6993		
Deposits with ceding undertakings				57						
Assets held to match linked liabilities	Index linked			58	1259012		1197366			
	Property linked			59	839837		643454			
Reinsurers' share of technical provisions	Provision for unearned premiums			60						
	Claims outstanding			61						
	Provision for unexpired risks			62						
	Other			63						
Total sheet 2 (41 to 63)				69	35325041		30818566			

## Analysis of admissible assets

Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R13	Z4	GL	day	month	year	£000	10
Debtors					As at the end of this financial year 1			As at the end of the previous year 2	
Other assets									
Debtors arising out of direct insurance operations	Policyholders			71	60609			51788	
	Intermediaries			72	22			34	
Salvage and subrogation recoveries				73					
Debtors arising out of reinsurance operations	Due from ceding insurers and intermediaries under reinsurance business accepted			74					
	Due from reinsurers and intermediaries under reinsurance contracts ceded			75	42717			64269	
Other debtors	Due from dependants	Due in 12 months or less after the end of the financial year		76	5736			3703	
		Due more than 12 months after the end of the financial year		77					
	Other	Due in 12 months or less after the end of the financial year		78	444111			157580	
		Due more than 12 months after the end of the financial year		79					
Tangible assets				80					
Cash at bank and in hand	Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities			81	15581			4764	
	Cash in hand			82	116			118	
Other assets (particulars to be specified by way of supplementary note)				83					
Prepayments and accrued income	Accrued interest and rent			84	382323			367134	
	Deferred acquisition costs			85					
	Other prepayments and accrued income			86					
Deductions (under regulations 57(2)(b) and 57(3) of the Insurance Companies Regulations 1994) from the aggregate value of assets				87					
Total sheet 3 (71 to 86 less 87)				88	951215			649390	
Grand total of admissible assets (39+69+88)				89	40304135			36057293	
Reconciliation to asset values determined in accordance with the shareholder accounts rules									
Total admissible assets (as per line 89 above)				91	40304135			36057293	
Total assets in excess of the admissibility limits of Schedule 12 of the Insurance Companies Regulations 1994, (as valued in accordance with those Regulations before applying admissibility limits)				92					
Solvency margin deduction for insurance dependants				93	47767			42763	
Other differences in the valuation of assets (other than for assets not valued above)				94	89536			72425	
Assets of a type not valued above, (as valued in accordance with the shareholder accounts rules)				95					
Total assets determined in accordance with the shareholder accounts rules (91 to 95)				99	40441438			36172481	
Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance				100	214235			36023	

## Long term business liabilities and margins

Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**

		Company registration number	GL/UK/CM	Period ended			Units	
		R14	Z4	GL	15	11	1996	
							£000	
							Source	
							Form Line Column	
Ordinary Long Term Business (all funds)	Mathematical reserves, after distribution of surplus	11	31043021	28195990			See instruction 1	
	Balance of long term business funds	12					See instruction 2	
	Ordinary long term business funds (11+12)	13	31043021	28195990			40 . 59	
	Valuation deficiencies	14					See instruction 3	
Industrial Assurance Business	Mathematical reserves, after distribution of surplus	15					See instruction 1	
	Balance of long term business funds	16					See instruction 2	
	Industrial long term business funds (15+16)	17					40 . 59	
	Valuation deficiencies	18					See instruction 3	
Creditors and other liabilities	Deposits received from reinsurers	21	37941	38288				
	Arising out of insurance operations	Direct business	31	238510	221899			
		Reinsurance accepted	32					
		Reinsurance ceded	33	8781	11047			
	Debenture loans	Secured	34	9544	11886			
		Unsecured	35					
	Amounts owed to credit institutions	41	44480	49542				
	Taxation	42	160816	43443				
	Accruals and deferred income	44	22214	27166				
	Other creditors	47	480053	176786				
Provision for adverse changes (calculated in accordance with regulation 61 of the Insurance Companies Regulations 1994)	49							
Excess of the value of admissible assets representing the long term business funds over the amounts of those funds		51	8258775	7281246			See instruction 4	
Total (13+14+17 to 51)		59	40304135	36057293				
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance		61	5430	1827				
Amounts included in line 59 attributable to liabilities in respect of property linked benefits		62	892299	668950				



## Analysis of derivative contracts

Name of company **The Standard Life Assurance Company**

Global business

Business **Long term**Financial year ended **15th November 1996**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
		R17	Z4	GL	15 day	11 month	1996 year	£000	10
Derivative contracts			As at the end of this financial year			As at the end of the previous year			
			Assets 1		Liabilities 2		Assets 3		Liabilities 4
Futures contracts	Fixed-interest securities	11	31	686			1053		138
	Equity shares	12							
	Land	13							
	Currencies	14	6939						
	Other	15							
Options	Fixed-interest securities	21		169					
	Equity shares	22	1458	1307			233		128
	Land	23							
	Currencies	24							
	Other	25							
Contracts for differences	Fixed-interest securities	31					5797		
	Equity shares	32	13	1063					3365
	Land	33							
	Currencies	34							
	Other	35							
Adjustments for variation margin		41	(44)	(1749)			(6850)		(3503)
Total (11 to 41)		49	8397	1476			233		128

**Long term business : Revenue account**Name of company **The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended **15th November 1996**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R40	Z4	GL	15	11	1996	£000	OB	1	0
Items to be shown net of reinsurance ceded							The financial year 1	Previous year 2		
Earned premiums						11	3170206	3092896		
Investment income receivable before deduction of tax						12	2139198	1973442		
Increase (decrease) in the value of non-linked assets brought into account						13	1095726	906624		
Increase (decrease) in the value of linked assets						14	100574	65156		
Other income						15				
Total income (11 to 15)						19	6505704	6038118		
Claims incurred						21	2814358	2454160		
Expenses payable						22	387162	370547		
Interest payable before deduction of tax						23	10584	12605		
Taxation						24	150392	107898		
Other expenditure						25				
Transfer to (from) non technical account						26				
Total expenditure (21 to 26)						29	3362496	2945210		
Increase (decrease) in fund in financial year (19-29)						39	3143208	3092908		
Fund brought forward						49	27899813	25103082		
Fund carried forward (39+49)						59	31043021	28195990		

**Long term business : Analysis of premiums and expenses**Name of company **The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended **15th November 1996**Name and number of fund **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R41	Z4	GL	15	11	1996	£000	OB	1	0
					Gross		Payable to or recoverable from reinsurers		Net of reinsurance (1-2) 3		
					1		2				
Earned premiums in the financial year	Life assurance and general annuity contracts	Single premium		11	886060		154691		731369		
		Regular premium		12	1250655		161419		1089236		
	Pension business contracts	Single premium		13	1339430		411981		927449		
		Regular premium		14	650942		286946		363996		
	Permanent health contracts	Single premium		15							
		Regular premium		16	61684		3528		58156		
	Other contracts	Single premium		17							
		Regular premium		18							
	Total premiums	Single premium		19	2225490		566672		1658818		
		Regular premium		29	1963281		451893		1511388		
Total premiums at lines 19 and 29 attributable to	UK contracts		31	3436957		999015		2437942			
	Overseas contracts		32	751814		19550		732264			
Expenses payable in the financial year	Commission payable in connection with acquisition of business			41	139193		40964		98229		
	Other commission payable			42	46865		6012		40853		
	Management expenses in connection with acquisition of business			43	115462				115462		
	Management expenses in connection with maintenance of business			44	132618				132618		
	Other management expenses			45							
	Total expenses (41 to 45)			49	434138		46976		387162		
	Total expenses at line 49 attributable to	UK contracts		51	317065		46803		270262		
		Overseas contracts		52	117073		173		116900		

**Long term business : Analysis of claims**Name of company **The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended **15th November 1996**Name and number of fund **Ordinary Long Term 1**

		Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
		R42	Z4	GL	15	11	1996	£000	OB	1	0
Claims incurred in the financial year					Gross		Recoverable from reinsurers		Net of reinsurance (1-2) 3		
					1		2				
Life assurance and annuity contracts	On death				11	183986		36615		147371	
	By way of lump sums on maturity				12	571141		11864		559277	
	By way of annuity payments				13	502473		17		502456	
	By way of payments arising from other insured events				14	1106				1106	
	On surrender or partial surrender				15	842115		222507		619608	
	Total life assurance and annuity claims (11 to 15)				19	2100821		271003		1829818	
Pension business contracts	On death				21	35954		12391		23563	
	By way of lump sums on vesting				22	235254		174965		60289	
	By way of vested annuity payments				23	357009		1137		355872	
	On surrender or partial surrender				24	690970		192911		498059	
	Total pension business claims (21 to 24)				29	1319187		381404		937783	
Permanent health contracts	By way of lump sums				31	4794		1464		3330	
	By way of periodical payments				32	43427				43427	
	Total permanent health claims (31+32)				39	48221		1464		46757	
Other contracts	By way of lump sums				41						
	By way of periodical payments				42						
	Total claims (41+42)				49						
Total claims (19+29+39+49)					59	3468229		653871		2814358	
Total claims at line 59 attributable to	UK contracts				61	2577408		617758		1959650	
	Overseas contracts				62	890821		36113		854708	

Name of company

## Ordinary business

Financial year ended	15th November 1996
----------------------	--------------------

[illegible][illegible]

## Long term business : Summarised balance sheet for Internal linked funds

Name of company

The Standard Life Assurance Company

Global business

Ordinary business

Financial year ended

15th November 1996

Name and number of fund Ordinary Long Term 1

Financial year ended 15th November 1996											
Name and number of fund Ordinary Long Term 1											
Company registration number		GL/UK/CM		Period ended			Units		No of fund/Summary		No of part of Fund
				day	month	year					
R43	Z4	GL	15	11	1996	£000	OB	1	0		
Name of fund		Investment in other internal linked funds of the company	Total assets (2+3)	Provision for tax on unrealised capital gains		Secured and unsecured loans		Other liabilities		Net asset value (4-5-6-7)	
1	2	3	4	5	6	7	8				
R of I Pension Overseas Equity	147062		147062		3	2818		144241			
R of I Pension Irish Fixed Interest	79554		79554		8			79546			
R of I Pension Irish Property	1822		1822					1822			
R of I Pension Overseas Property	1900		1900					1900			
R of I Pension Index Linked	332		332					332			
R of I Pension Cash	7884		7884					7884			
R of I Investment Managed Cash		6442	6442					6442			
R of I Investment Managed Equity		13761	13761					13761			
R of I Investment Managed Fixed Interest		5238	5238					5238			
R of I Investment Managed International Equity		4990	4990					4990			



**Long term business : Summarised balance sheet for Internal linked funds**

Name of company

**The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended

**15th November 1996**Name and number of fund **Ordinary Long Term 1**

Financial year ended 15th November 1996													
Name and number of fund Ordinary Long Term 1													
Name of fund	Directly held assets	Investment in other internal linked funds of the company	Total assets (2+3)	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund		
					Company registration number	GL	15					11	1996
1	2	3	4	5	6	7	8	£000		1	0		
R of I Investment Index Linked	437		437	15									
R of I Investment Cash	6442		6442										
Canada Equity	34871		34871										
Canada Diversified	85254		85254										
Canada Save & Prosper Property	1968		1968		227	48							
Canada Westmount Equity	33		33										
Canada United Prosperity	80		80										
Canada Northern Investment	474		474										
Canada Ideal Money Market	9292		9292										
Canada Ideal Bond	10808		10808			790	10018						



**Name of company**

## Ordinary business

[illegible]

Name and number of fund	Name of fund	Directly held assets	Investment in other internal linked funds of the company	Total assets (2+3)	Provision for tax on unrealised capital gains	Fiscal year			Summary		
						1996	1997	1998	£000	OB	1
	1	2	3	4	5	6	7	8	Net asset value (4-5-6-7)		
	Canada Ideal Equity	27488		27488			263	27225			
	Canada Ideal Diversified	78092		78092			2864	75228			

**Long term business : Aggregate revenue account for internal linked funds**Name of company **The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended **15th November 1996**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund/ Summary	No of part of Fund	
			day	month	year					
	R44	Z4	GL	15	11	1996	£000	OB	1	0
Value of total creation of units							11	170728		
Investment income attributable to the funds before deduction of tax							12	29011		
Increase (decrease) in the value of investments in the financial year							13	100574		
Other income							14			
Total income (11 to 14)							19	300313		
Value of total cancellation of units							21	71338		
Charges for management							22	6782		
Charges in respect of tax on investment income							23	2930		
Taxation on realised capital gains							24	6020		
Increase (decrease) in amount set aside for tax on capital gains not yet realised							25	2915		
Other expenditure							26	664		
Total expenditure (21 to 26)							29	90649		
Increase (decrease) in funds in financial year (19-29)							39	209664		
Internal linked funds brought forward							49	628461		
Internal linked funds carried forward (39+49)							59	838125		

**Long term business : Supplementary information for internal linked funds**Name of company **The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended **15th November 1996**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
			day	month	year				
			R45	Z4	GL				
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains	Percentage provision for tax on realised capital gains	Liquidity percentage	Valuation price per unit			
1	2	3	4	5	6				
Unit Endowment			24.37	15.49	17.738667				
R of I Pension Managed Cash - Group				0.00	3.071846				
R of I Pension Managed Cash - Indiv				0.00	2.930759				
R of I Pension Managed Equity - Group				0.00	11.580346				
R of I Pension Managed Equity - Indiv				0.00	4.555401				
R of I Pension Managed Fixed Int - Group				0.00	8.765869				
R of I Pension Managed Fixed Int - Indiv				0.00	4.798214				
R of I Pension Managed Int'l Equity - Group				0.00	1.703514				
R of I Pension Managed Int'l Equity - Indiv				0.00	1.576932				
R of I Pension Managed - Group				0.00	10.279685				
R of I Pension Managed - Indiv				0.00	4.579703				
R of I Pension Managed Property - Group				0.00	4.283021				
R of I Pension Managed Property - Indiv				0.00	2.734008				
R of I Pension Managed Irish Eq - Group				0.00	1.868004				
R of I Pension Managed Irish Eq - Indiv				0.00	1.729962				
R of I Pension Managed Ind Linked - Group				0.00	3.083449				
R of I Pension Managed Ind Linked - Indiv				0.00	2.777361				
R of I Pension Irish Equity - Group				(0.82)	16.267035				
R of I Pension Irish Equity - Indiv				(0.82)	15.781557				
R of I Pension Overseas Equity - Group				4.62	7.493983				
R of I Pension Overseas Equity - Indiv				4.62	7.266728				
R of I Pension Irish Fixed Interest - Group				96.76	8.829108				
R of I Pension Irish Fixed Interest - Indiv				96.76	8.558893				

## Long term business : Supplementary information for internal linked funds

Name of company **The Standard Life Assurance Company**

Global business

Ordinary business

Financial year ended **15th November 1996**Name and number of fund **Ordinary Long Term 1**

	Company registration number	GL/UK/CM	Period ended			Units	OB/IB	No of fund	No of part of Fund
			day	month	year				
			R45	Z4	GL				
Name of fund		Amount of taxable unrealised capital gain or loss	Percentage provision for tax on unrealised capital gains	Percentage provision for tax on realised capital gains	Liquidity percentage	Valuation price per unit			
1	2	3	4	5	6				
R of I Pension Irish Property - Group					100.00	1.555037			
R of I Pension Irish Property - Indiv					100.00	1.530679			
R of I Pension Overseas Property - Group					100.00	4.139597			
R of I Pension Overseas Property - Indiv					100.00	4.013743			
R of I Pension Index Linked - Group					18.53	3.083401			
R of I Pension Index Linked - Indiv					18.53	2.988439			
R of I Pension Cash - Group					100.00	3.071844			
R of I Pension Cash - Indiv					100.00	2.930759			
R of I Investment Managed Cash					0.00	2.336401			
R of I Investment Managed Equity			27.00	27.00	0.00	6.609084			
R of I Investment Managed Fixed Interest			27.00	27.00	0.00	5.047501			
R of I Investment Managed Int'l Equity			27.00	27.00	0.00	1.404188			
R of I Investment Managed			27.00	27.00	0.00	5.681787			
R of I Investment Managed Property			27.00	27.00	0.00	2.354101			
R of I Investment Managed Irish Equity			27.00	27.00	0.00	1.494965			
R of I Investment Managed Index Linked			27.00	27.00	0.00	2.443164			
R of I 2000 Redemption			27.00	27.00	97.99	0.964563			
R of I Investment Irish Equity			27.00	27.00	(1.75)	8.480862			
R of I Investment Overseas Equity			27.00	27.00	0.91	4.610363			
R of I Investment Irish Fixed Interest		1932	27.00	27.00	97.12	4.770384			
R of I Investment Irish Property			27.00	27.00	100.00	1.389306			
R of I Investment Overseas Property			27.00	27.00	100.00	2.334506			
R of I Investment Index Linked		56	27.00	27.00	19.15	2.443164			

Name and number of fund **Ordinary Long Term 1**[illegible]

**NOTES TO SCHEDULES 1 AND 3**

Name of company            **THE STANDARD LIFE ASSURANCE COMPANY**

Financial year ended      15 November 1996

**0901 Orders by the Secretary of State under section 68**

On 14 August 1996 the Secretary of State made an Order pursuant to section 68 of the Insurance Companies Act 1982 modifying the provisions of the Insurance Companies (Accounts and Statements) Regulations 1996 by substituting for the commencement date of 23 December 1996 a commencement date of 14 November 1996.

On 10 December 1996 the Secretary of State made an Order pursuant to section 68 of the Insurance Companies Act 1982 disapplying the provisions of section 18(3) and 22(2) to the Company.

In pursuance of his powers under section 68 of the Insurance Companies Act 1982, the Secretary of State has directed that Group Accident and Sickness insurance business written by the Company in Canada shall be treated as long term business for the purposes of the provisions of any or all of sections 17 to 20, 25, 28 to 31, 42, 55, 56 and 59(2) of that Act. The premium income in the year for such business was £55.4 million (gross of reinsurance) and £55.3 million (net of reinsurance). The margin of solvency on the Group Accident and Sickness business has been calculated on the basis of Form 61 of the Insurance Companies (Accounts and Statements) Regulations 1996. The margin of solvency on this business would not have been higher if calculated on the basis of Form 12 of those Regulations and the relevant minimum guarantee fund is the required minimum margin.

In pursuance of his powers under section 68 of the Insurance Companies Act 1982, the Secretary of State has directed that Capital Redemption Contracts shall not require to be distinguished in these returns and shall be amalgamated with Life Assurance Contracts.

On 14 April 1997 the Secretary of State made an Order pursuant to section 68 of the Insurance Companies Act 1982 which has the effect of removing from the scope of the audit, the statement required by paragraph 4(d) of Schedule 6 to the Regulations and the statement required by paragraph 5 thereof in so far as it relates to any published guidance in respect of money laundering.

**1308 Aggregate value of certain categories of investments**

The aggregate value of unlisted investments falling within any of lines 41,42,46 or 48 which have been valued in accordance with regulation 51 of the Insurance Companies Regulations 1994 was £1,227 million.

**1310 Amounts set off under generally accepted accounting principles**

Amounts have been set off to the extent permitted by generally accepted accounting principles.

**NOTES TO SCHEDULES 1 AND 3 - continued**

**1311 Maximum permitted counterparty limits**

The maximum permitted exposure to an approved counterparty in each of the following asset categories was:

- (1) Cash, foreign currency and short term securities :
  - UK branch -£200 million
  - Canada branch - C\$50 million
  - Republic of Ireland branch - I£25 million
- (2) Equity, fixed interest, property
  - Specified percentage of the total value of the particular asset category.

The maximum permitted exposure to a counterparty, other than an approved counterparty, in each of the following asset categories was:

- (1) Cash and short term securities -
  - UK branch -£11 million
  - Canada branch - C\$12.5 million
  - Republic of Ireland branch - I£10 million
- (2) Equity, fixed interest, property
  - Specified percentage of the total value of the particular asset category.

There were no breaches of the above counterparty limits during the year.

**1403 Provision for adverse changes**

No provision was made for adverse changes where the Company had or may have had, following the exercise of any right by a third party, an obligation under a derivative contract, because any potential liability could be met from the assets.

**1404 Contingent liabilities**

The total potential capital gains tax liability if the Company were to dispose of its assets was £826 million. A corresponding provision of £400 million was included in the mathematical reserves.

Contingent liabilities including uncalled liability on investments and unrelieved underwriting commitments not included in Form 14 were £63 million.

There were no guarantees, indemnities or contractual commitments effected by the Company other than in the ordinary course of its insurance business.

NOTES TO SCHEDULES 1 AND 3 - continued

**1600 Profit and loss account (non-technical account)**

This Form has been omitted since all entries would be blank.

**1701 Treatment of variation margins**

The variation margins on derivative contracts which the Company receives or pays are automatically credited to or debited from a Futures Account at the close of each business day. There was therefore no liability to repay variation margins received at 15 November 1996.

Variation margins received of £44,727 have been included in line 54 of Form 13. There was no requirement to repay this amount for the reason outlined above.

**4001 Brought forward amounts**

The application of the different exchange rates to liabilities in foreign currencies produces differences between the fund brought forward in line 49, Form 40 compared with the fund carried forward which was shown on the previous year's return.

**4005 Foreign currency - basis of translation**

Transactions of foreign branches have been translated at the rates of exchange ruling at the financial year end. Other financial currency transactions have been translated at the rates of exchange ruling on the dates on which the transactions occurred.

**4008 Provision of management services**

During the year, agreements persisted whereby the Company provided management services to the following of its subsidiary companies:

Bonaventure Trust Incorporated

Con-Vista Limited

Cutlers Gardens Estates Limited

Second Phase Enterprises Incorporated

Standard Life Fund Management Limited

Standard Life Investment Funds Limited

Standard Life Investment Management Services Limited



NOTES TO SCHEDULES 1 AND 3 - continued

Standard Life Mutual Funds Limited

Standard Life Pension Funds Limited

Standard Life Portfolio Management Limited

Standard Life Property Company Limited

Standard Life Trust Management Limited

Standard Life Trustee Company Limited

The Heritable Securities and Mortgage Investment Association Limited

The Standard Life Assurance Company of Canada

Whiteleys of Bayswater Limited

**4301 Basis of asset valuation**

Assets which are linked to contracts under which the benefits payable are determined by reference to the value of those assets have been valued in accordance with the terms of the relevant contracts. Other assets have been valued in accordance with the provisions of the Insurance Companies Regulations 1994.

**4401 Brought forward amounts**

The application of the different exchange rates to liabilities in foreign currencies produces differences between the fund brought forward in line 49, Form 44 compared with the fund carried forward which was shown on the previous year's return.

**4402 Analysis of other expenditure**

Other expenditure included within line 26 is as follows:

	£'000
Interest paid	281
Bank charges	119
Sundry expenses	<u>264</u>
	664

**4501 Liquidity of managed funds**

The managed funds have nil liquidity percentages since their only assets are the holdings in the internal linked funds.

## Additional information on derivative contracts

Statement required by regulation 23 of the Insurance Companies  
(Accounts and Statements) Regulations 1996

Name of company      **The Standard Life Assurance Company**  
 Financial year ended      **15 November 1996**

- a) Investment managers work to written authorities approved, initially, by the Directors in respect of derivatives transactions. Controls are applied to ensure that the authorities delegated to investment managers are not exceeded.

Use of derivatives is permitted for the purpose of matching contractual liabilities providing the relevant constraints, including constraints to limit counter-party risk, are determined and monitored in line with these written authorities.

Use of derivatives is also allowed for the purpose of efficient portfolio management, providing their substance would otherwise be permitted as a series of direct transactions. In addition, major counter-parties, including exchange counter-parties, must have credit worthiness considered equivalent to a Standard & Poor's rating of A or better. The total exposure to any one counter-party or group of counter-parties must be kept within a pre-determined amount.

- b) The written authorities do not prohibit entry into contracts, which were not at the time of entry, reasonably likely to be exercised, in order to ensure investment managers are not prevented from entering into contracts which could potentially enhance efficient portfolio management.
- c) During the financial year, the Company entered into 9 positions where a price movement in excess of 10% in the underlying stock would have been required before it was likely that the positions would be exercised.

Had all of these positions been exercised, the net effect would have been to have made a net investment of £152,500 in United Kingdom ordinary shares.

- d) If assets or liabilities which the Company had a right or obligation to acquire or dispose of under derivative contracts outstanding at the end of the financial year (in the case of options, only those it would have been prudent to exercise) had been so acquired or disposed of, the amounts recorded on Form 13 would have changed as follows:

Line	Description	Value shown on Form 13 £000's	Effect of derivatives £000's	Effective exposure allowing for derivatives £000's
41	Equity Shares	16,104,811	92,729	16,197,540
54	Deposits, one month or less	351,960	-92,925	259,035

- e) If rights or obligations to acquire or dispose of assets under derivatives outstanding at the end of the financial year had been exercised in such a way as to change the amounts

## Returns under Insurance Companies Legislation

referred to in sub-paragraph (d) to the maximum extent, the amounts recorded on Form 13 would have been changed as follows:

Line	Description	Value shown on Form 13 £000's	Effect of derivatives £000's	Effective exposure allowing for derivatives £000's
41	Equity Shares	16,104,811	153,746	16,258,557
45	Fixed Interest	8,964,732	21,875	8,986,607
54	Approved Deposits, one month or less	351,960	-176,433	175,527

- f) The maximum amount by which the value of assets could have changed at any one time during the financial year, assuming assets or liabilities which the Company had a right or obligation to acquire or dispose of under derivative contracts (in the case of options, only those it would have been prudent to exercise) had been so acquired or disposed of, was:

Equity Shares - Decrease of £46.8m

Fixed Interest - Approved securities - Increase of £686.5m

Deposits - Decrease of £638.0m

The maximum amount by which the value of assets could have changed at any one time during the financial year, assuming rights or obligations under derivative contracts to acquire or dispose of assets had been exercised in such a way so as to create the maximum change was:

Equity Shares - Increase of £137.9m

Fixed Interest - Approved securities - Increase of £844.5m

Deposits - Decrease of £982.4m

- g) The maximum loss the Company would have incurred at the financial year end through the failure of any other one person to fulfil their obligations under derivative contracts was £14.3m.

The maximum loss the Company would have incurred at any other date during the financial year was £ 37m.

As the Company draws margins down from the counter-party on a regular basis it is not significantly exposed should there be a large movement in the markets.

- h) During the financial year the Company did not enter into any contracts which did not fall within paragraph (2) of regulation 55 of the Insurance Companies Regulations.
- i) During the financial year the Company received a total of £9.1m in return for granting rights under derivative contracts. This comprised:

£ 4.3 m	Option premium for writing options
£ 4.2 m	Underwriting commission
£ 0.6 m	Stock Lending Fees

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4

ABSTRACT OF VALUATION REPORT PREPARED BY THE  
APPOINTED ACTUARY

1. The date to which the investigation relates is 15 November 1996.
2. The previous investigation under Section 18 of the Act related to 15 November 1995.
3. The valuation has been made in conformity with regulation 64 of the Insurance Companies Regulations.

4. (1)

**UNITED KINGDOM NON-LINKED BUSINESS**

- (a) Not applicable
- (b) Not applicable
- (c) The non-linked contracts which are not sufficiently described by the entry in column 1 of Form 51 are described below.

**United Kingdom life assurance and general annuity business - individual contracts**

- (i) Some **whole life** and **endowment assurance** contracts effected prior to 1979 contain scales of minimum guaranteed surrender values and paid-up policy amounts. Most **endowment assurance** contracts effected after 1978 contain scales of minimum paid-up policy amounts.
- (ii) Some **endowment assurance** contracts effected in connection with house purchase contain the option to increase the term of the assurance and/or to effect a new contract without further evidence of health on rearrangement of the mortgage.
- (iii) Some **endowment assurance** contracts contain an option to surrender after a specified period for a minimum of the sum assured and reversionary bonus then attaching reduced in the proportion of premiums paid to total premiums originally payable.
- (iv) The **Increasable Term Assurance** is a level assurance for a term of 5 years. At the end of the term the contract may be renewed for a maximum sum assured of up to 150% of the original without further evidence of health, provided the life assured is then under age 60. Alternatively, the contract may be converted to a whole life or endowment contract for any sum assured up to a maximum which is set having regard to the number of years in force and the then current sum assured.
- (v) The **Guaranteed Growth Bond** is a single premium non-profit endowment assurance for a term of 3, 4 or 5 years providing a guaranteed return at maturity on the premium deemed invested. Depending on the level of commission taken, the amount deemed invested is between 100% and 102.4% of the premium paid. The guaranteed rates of return are reviewed monthly and apply for the following calendar month. Non-

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

guaranteed surrender values are available. The death benefit is 101% of the greater of the current surrender value and the premium deemed invested.

- (vi) Some **term assurance** contracts contain the option to convert to a whole life or endowment assurance and some **endowment assurance** contracts contain the option to increase the sum assured without further evidence of health. Some **whole life** contracts include the option to convert, at specified dates, into an endowment assurance for the same sum assured as the original contract at guaranteed premium rates.
- (vii) Some **endowment assurance** contracts contain a Continuation Option which allows the policyholder at maturity to effect a new savings contract or an investment linked savings contract without further evidence of health. The new contract must be for the same premium, for a term of at least ten years and be completed by age 65.
- (viii) A guaranteed cash sum is available on maturity of some **deferred annuity bond** contracts

#### United Kingdom life assurance and general annuity business - group contracts

- (i) Rates of premium for **group life** assurance contracts are generally guaranteed for a period of at most two years from the outset. A withdrawing member of a scheme which commenced before 5 July 1988 may have the right to effect an individual whole life, endowment or term assurance contract on his own life without further evidence of health.

#### United Kingdom pension business - individual contracts

- (i) Some **pure endowment** contracts contain the option to apply the proceeds to purchase an annuity earlier than the date shown in the contract, or to convert the contract to paid-up on guaranteed terms. Guaranteed annuity options providing for the payment of a minimum annuity in lieu of a cash sum are available under some **pure endowment** or **endowment assurance** contracts.
- (ii) Some **deferred annuity** contracts contain the option to have the annuity commence earlier or later than the date shown in the contract, or to convert the contract to paid-up on guaranteed terms. Guaranteed cash options providing for the payment of a cash sum in lieu of an annuity are available under some annuities.

#### United Kingdom pension business - group contracts

- (i) Rates of premium for **group life** assurance contracts are generally guaranteed for a period of at most two years from the outset. A withdrawing member of a scheme

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

which commenced before 5 July 1988 may have the right to effect an individual whole life, endowment or term assurance contract on his own life without further evidence of health.

- (ii) Under group with-profits **deferred annuity** contracts, premium rates depend on financial conditions ruling at the time of payment and are usually guaranteed for a period of one year from the outset.

### United Kingdom permanent health business - group contracts

- (i) Rates of premium for **group permanent health** contracts are generally guaranteed at the outset for a period of at most two years. A withdrawing member of a scheme which commenced before 5 July 1988 may have the right to effect an individual contract without further evidence of health.

### REPUBLIC OF IRELAND NON-LINKED BUSINESS

- (a) Not applicable
- (b) Not applicable
- (c) The non-linked contracts which are not sufficiently described by the entry in column 1 of Form 51 are described below.

### Republic of Ireland life assurance and general annuity business - individual contracts

- (i) Some **whole life** and **endowment assurance** contracts issued prior to 1979 contain scales of minimum guaranteed surrender values and paid-up policy amounts. Most **endowment assurance** contracts issued after 1978 contain scales of minimum paid-up policy amounts.
- (ii) Some **endowment assurance** contracts effected in connection with house purchase contain the option to increase the term of the contract and/or to effect a new contract without further evidence of health on rearrangement of the mortgage.
- (iii) Some **pure endowment** contracts contain the option to apply the proceeds to purchase an annuity earlier than the date shown in the contract, or to convert the policy to paid-up on guaranteed terms. Guaranteed annuity options providing for the payment of a minimum annuity in lieu of a cash sum are available under most **pure endowment** and under some **endowment assurance** contracts.
- (iv) **Guaranteed Bonds** are whole life contracts issued up to September 1996 under which guaranteed amounts may be paid in cash (the Guaranteed Income version), or may be added to the basic benefit (the Guaranteed Growth version). At a specified Review Date the policyholder may elect to surrender the bond on guaranteed terms or to continue the bond or to convert it to a Capital Investment Bond. (For a description of the latter, refer to Paragraph 5).

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

- (v) The **Increasable Term Assurance** contract is a level assurance for a term of 5 years. At the end of the term the contract may be renewed for a maximum sum assured of up to 150% of the original without further evidence of health, provided the life assured is then under age 60. Alternatively, the contract may be converted to a whole life or endowment contract for any sum assured up to a maximum which is set having regard to the number of years in force and the then current sum assured.
- (vi) Some **endowment assurance** contracts contain an option to surrender after a specified period for a minimum of the sum assured and reversionary bonus then attaching reduced in the proportion of premiums paid to total premiums originally payable.
- (vii) Some **term assurance** contracts contain the option to convert to a whole life or endowment assurance and some **endowment assurance** contracts contain the option to increase the sum assured without further evidence of health. Some **whole life** contracts include the option to convert at specified dates into an endowment assurance for the same sum assured as the original contract at guaranteed premium rates.
- (viii) Some **endowment assurance** contracts contain a Continuation Option which allows the policyholder at maturity to effect a new savings contract or an investment linked savings contract without further evidence of health. The new contract must be for the same premium, for a term of at least ten years and be completed by age 65.
- (ix) A guaranteed cash sum is available on maturity of **deferred annuity bond** contracts
- (x) Some **deferred annuity** contracts contain the option to have the annuity commence earlier or later than the date shown in the contract, on guaranteed terms. Guaranteed cash options providing for the payment of a cash sum in lieu of an annuity are available under some annuities.

#### Republic of Ireland life assurance and general annuity business - group contracts

- (i) Rates of premium for **group life** assurance contracts are generally guaranteed for a period of at most two years from the outset. A withdrawing member of a scheme which commenced before 5 July 1988 may have the right to effect an individual whole life, endowment or term assurance contract on his own life without further evidence of health.
- (ii) Under group with-profits **deferred annuity** contracts, premium rates depend on financial conditions ruling at the time of payment and are usually guaranteed for a period of one year from the outset.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

### Republic of Ireland permanent health insurance - individual contracts

- (i) Some policies include the provision for the benefit to escalate at a fixed rate of interest during payment, subject to a maximum of the increase in the Consumer Price Index.
- (ii) The premium rate is guaranteed not to increase during the term of the cover.
- (iii) All policies include a waiver of premium provision for the period during which the benefit is being paid.

### Republic of Ireland permanent health insurance - group contracts

- (i) Rates of premium for **group permanent health** contracts are generally guaranteed at the outset for a period of at most two years. A withdrawing member of a scheme which commenced before 5 July 1988 may have the right to effect an individual contract without further evidence of health.

### CANADIAN NON-LINKED BUSINESS

- (a) Not applicable
- (b) Not applicable
- (c) The non-linked contracts which are not sufficiently described by the entry in column 1 of Form 51 are described below.

### Canadian life assurance and general annuity business - individual contracts

- (i) Most **whole life** and **endowment assurance** contracts contain scales of minimum guaranteed surrender values and paid-up policy amounts.
- (ii) **Idealife** is a with-profits whole of life assurance under which 90% of each premium less Provincial premium tax is invested in an individual funding account. The death benefit under the contract is the sum of the amount of the funding account and an additional amount chosen by the policyholder within limits permitted by the Company. At the beginning of each month the cost of life cover for the following month and a monthly service charge are deducted from the funding account. Interest is added to the balance remaining in the contract's funding account at a guaranteed rate of 1/3% per month. Bonuses are expressed in the form of additional interest allocations, and in the form of rebates in the cost of life cover, depending upon experience. The contract may be surrendered on any monthly anniversary for an amount equal to the balance of the funding account. Some contracts contain the option to increase the sum assured without further evidence of health at certain specified ages, or on marriage, or on the birth of a child, within certain limits.
- (iii) The **Renewable Term Assurance** is a level assurance for a term of five or ten years. At the end of the term the contract may be renewed for the same sum assured without



# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

further evidence of health, and at guaranteed rates of premium, provided the life assured is then under age 75. The contract may be converted without further evidence of health at any time before age 65 to any contract then offered, except term assurance contracts with a lower premium rate, or any contract ceasing before age 85.

- (iv) Some **term assurance** contracts contain the option to convert to a whole life or endowment assurance contract without further evidence of health.
- (v) Under some contracts issued before 1974 the rate of interest chargeable on policy loans cannot exceed a maximum figure.
- (vi) **Perspecta** is a whole life assurance contract which operates through an investment account where single premiums may be invested on both a linked and non-linked basis. Premiums invested on a non-linked basis are placed on deposit at rates of interest guaranteed for periods from 1 day to 15 years. The rate offered depends on financial conditions ruling at the time of deposit. Proceeds at the end of a guarantee period may be reinvested at the then current rates. The interest rates credited to the account are guaranteed never to be negative.

The contract provides an amount of life cover selected by the policyholder within certain limits. The cost of life cover is met by a monthly deduction from the investment account. The amount of this deduction is defined at the start of the contract.

If certain stated conditions are met, a guaranteed bonus of 0.5% of the investment account balance will be paid on the fifth and subsequent policy anniversaries. This guaranteed bonus will increase to 1.0% on the tenth and subsequent policy anniversaries.

Withdrawals may be made from the contract at any time. These are subject to a surrender charge if they occur within the first seven years. A market value adjustment may also be applied on all withdrawals from the non-linked deposits.

- (vii) A guaranteed cash sum is available in lieu of an annuity under some without profits **deferred annuity** contracts. Such contracts are no longer issued.
- (viii) The Company transacts business in Bermuda. This is shown separately in Form 51.
- (ix) The **Ideal Capital Accumulator** is an investment account contract consisting of the Ideal Redeemable Term Funds and the Ideal Non-Redeemable Term Funds under which premiums may be invested on a non-linked basis. Premiums are placed on deposit at rates of interest guaranteed for periods from 1 day to 10 years. The rate offered depends on financial conditions ruling at the time of deposit. The Ideal Redeemable Term Funds may be surrendered prior to maturity subject to a surrender penalty and a market value adjustment. The Ideal Non-Redeemable Term Funds may not be surrendered. Maturity proceeds may be reinvested at the then current rate.

Other **accumulation contracts**, which are no longer issued, have similar conditions.

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

- (x) The **Flexible Premium Deferred Annuity** is an older version of the Ideal Capital Accumulator. The interest guarantee is restricted to 5 years and only 95% of the premium is invested. This contract is no longer issued, but additional deposits may be added to existing policies.
- (xi) The **Portfolio RRIF** is an investment account contract where single premiums may be invested on both a linked and non-linked basis. The amount of premium invested on a non-linked basis and the corresponding liability are shown on Form 51. Premiums are placed on deposit at rates of interest guaranteed for periods from 1 day to 10 years. The rate offered depends on financial conditions ruling at the time of deposit. Proceeds at the end of a guarantee period may be reinvested at the then current rates. Regular withdrawals are made from the account to provide an income during retirement. The amounts withdrawn may be varied by the policyholder, and are subject to a market value adjustment. An amount equal to the premium paid less withdrawals to date is payable on the policyholder's death.

#### Canadian life assurance and general annuity business - group contracts

- (i) Rates of premium for **group life assurance** contracts are generally guaranteed for a period of one year from the outset. On some policies a withdrawing member may have the right to effect an individual whole life or endowment assurance contract on their own life without further evidence of health.
- (ii) Under group with-profits **deferred annuity** contracts, premium rates depend on financial conditions ruling at the time of deposit.
- (iii) The **Deposit Administration Plan** is an investment account contract for a term of up to fifteen years, designed to provide retirement benefits for members of group pension plans. Under the current version of the plan, a separate fund is established each year which earns interest at a guaranteed rate depending on financial conditions at the outset. The total premiums paid in the year, net of outgo, are placed in this fund as are interest and "reinvestment amounts" from previously established funds. The "reinvestment amount" for each fund is the amount by which the fund must be reduced each year to exhaust it uniformly over its term. Any amount required to meet the obligations of the pension plan is obtained by making the appropriate surrender from a fund. The method of calculating the surrender value of each fund is specified in the policy, the value depending on financial conditions at the time of surrender. A minimum basis on which the value of retirement payments will be calculated is specified for the first three years from inception. This contract is no longer issued, although additional deposits may still be made under existing contracts.

Previous versions of the Plan had guarantees of both capital and interest for up to twenty years and the interest rates used for accumulating the deposit were also used in calculating the retirement annuities.

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

- (iv) The **Triplan** is an investment account contract which is used to maintain an individual accumulation account for each member of a group pension plan, with a view to purchasing an annuity at retirement. The premiums paid, net of charges, may be invested on either a linked or a non-linked basis. The non-linked premiums may be placed on deposit at rates of interest guaranteed on a monthly, yearly, three-yearly or five-yearly basis. The rates offered depend on financial conditions ruling at the time of deposit. If the monies placed on deposit are required before the end of the chosen period the amount payable is not guaranteed. Annuities may be purchased with the proceeds of the contract using the Company's current rates. On some plans, a guaranteed bonus is paid on each policy anniversary. The bonus rate depends on the size of the total assets held under the plan, and ranges from 0% to 0.5% of the investment account balance.

An administration service is also offered for which a separate charge is made. These charges are guaranteed for a period of three years at a time.

- (v) The **Guaranteed Accumulation Contract** is similar to the Triplan except that only one accumulation account is maintained for all the members of each pension plan. Premiums are accepted, on a non-linked basis only, for terms of up to thirty years.

#### Canadian permanent health business - group contracts

- (i) The Company issues **Accident and Sickness** contracts in Canada, generally associated with its group life and annuity business there. The range of benefits insured includes accidental death benefits, accidental injury benefits, income disability benefits and medical expense indemnity benefits, all coming within the definitions of general business Classes 1 and 2. In view of the small amounts involved, however, the business is shown in the Returns as ordinary long term business.

#### GERMAN NON-LINKED BUSINESS

(a)

##### German life assurance and general annuity business

- (i) **Airbag** is a single life unitised with-profits endowment assurance under which premiums are payable monthly or yearly. Premiums for the basic contract are level, however a low start option is available under which the premium increases from its initial level to its ultimate level over a period of no more than four years. A percentage of each premium paid is applied to purchase Series I units in the German With-Profits Fund. The premium required for a given level of benefits is guaranteed not to exceed the amount of a gross premium. The actual premium payable is equal to the gross premium payable less a bonus premium rebate normally declared

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

annually. The amount of the rebate is at the discretion of the Company and is calculated on an individual basis.

The plan may include optional permanent health insurance, the amount of which and rate of increase of which must be within limits determined by the Company, and/or waiver of premium benefit. The "Airbag" option provides enhanced waiver of premium cover, the enhancement taking the form of annual increases to the benefit in payment at a fixed rate selected within certain limits.

Charges are levied monthly by cancellation of units to meet the cost of death and disability benefits. The tables of mortality and morbidity underlying these charges may be varied at the discretion of the Company. However, charges are guaranteed not to exceed those calculated according to an underlying guaranteed basis. Currently, the guaranteed maximum mortality charges are typically in excess of 200% of the charge actually being levied for males (175% for females). The maximum disability charges are typically more than 130% of the rates currently being applied.

At any time the plan may be surrendered in whole or in part, or may be altered to paid-up.

The death benefit under the plan is the greater of the sum assured on death or 105% of the identifiable current benefit.

Prices of units in the German With-Profits Fund are guaranteed not to decrease. Bonuses are declared annually at the discretion of the Company in the form of a rate of growth in unit prices. In the event of a claim a terminal bonus may be payable at the discretion of the Company to supplement the identifiable current benefit.

All contracts have an attaching "Surrender Option Date", selected on inception, which must be between five and ten years prior to the maturity date. On all claims prior to the Surrender Option Date, with the exception of those arising from death, the Company reserves the right to apply a market value adjustment to the identifiable current benefit.

Notwithstanding the above, provided all premiums have been received to date, maturity and surrender benefits are subject to guaranteed minimum amounts according to a schedule issued on inception of the contract.

The following options are available under the contract:

- indexation option. On entry to the contract the policyholder may elect for the premiums, guaranteed sum assured on death and the initial amount of permanent health insurance benefit to increase on each policy anniversary at fixed rates, within limits determined by the Company, without further evidence of health. Any resulting increase in the guaranteed sum assured at maturity will be determined by the Company.
- further insurability option under which the sum assured on death may be increased without further evidence of health by an amount agreed on entry on

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

occurrence prior to the policyholder's fortieth birthday or tenth policy anniversary of any one of a list of specified events. The resulting sum assured may not exceed 200% of the original amount or DM 300,000.

(ii) The **Swing** contract is similar to the Airbag contract with the following major differences:

- Premiums are invested in Series II units of the German With-Profits Fund.
- There is no Surrender Option Date. A market value adjustment may be applied on all claims prior to the maturity date other than those arising from death.

(b) Not applicable

(c) Not applicable

5.

The linked contracts issued by the Company are described below.

In each case, the amount of premium deemed invested is that for contracts written on full commission terms. Enhanced terms are available where commission is given up. With the exception of the cases indicated the amount of premium deemed to be invested does not exceed the premium paid.

No increases were made in the rates of charges applied generally to contracts during the report period, other than those described under the Trustee Investment Plan issued in the United Kingdom.

5. (A) UNITED KINGDOM LINKED BUSINESS

5. (A) (1) United Kingdom life assurance and general annuity business

5. (A) (1) (i)

**Homeplan** is an endowment assurance effected in connection with a house purchase loan under which premiums are payable monthly or yearly. Premiums are either level throughout the term, or a low start version of the contract is available under which premiums increase in equal steps on each of the first three policy anniversaries. A percentage of each premium is invested to purchase accumulation units in one or more internal linked funds or in Homeplan units in the United Kingdom Life With-Profits Fund. For contracts entered into from January 1995 onwards, the percentage of the premium

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

invested is 96%. Investment contents for contracts issued prior to this date are stated in the Company's DTI Returns for the year ended 15 November 1995. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

Prices of Homeplan units in the United Kingdom Life With-Profits Fund are guaranteed not to decrease. Bonuses are declared each year at the discretion of the Company in the form of a rate of growth in the unit price.

The benefit on maturity is the bid value of the units allocated.

The death benefit under the contract is the greater of the bid value of the units allocated and a sum assured which will normally be equal to the amount of the loan. Some contracts also contain critical illness cover providing for payment of a critical illness sum assured on diagnosis of certain defined serious illnesses.

At any time the plan may be surrendered in full or in part or altered to paid-up. The sum payable on surrender is equal to the bid value of units encashed.

In the event of a claim the identifiable current benefit may be supplemented by a terminal bonus, the amount of which is at the discretion of the Company. The Company reserves the right to apply a market value adjustment to the identifiable current benefit attributable to the policy on all claims, with the exception of those arising from death and maturity.

Provided the original contract is still in force the following options can normally be exercised at any time before the 55th birthday of the life assured:

- future insurability option under which a new contract can be effected, in connection with a further loan, up to the level of life and basic critical illness cover available on the original contract, without any further evidence of health.
- term extension option under which the term of the contract may be extended by an integral number of years if the lender agrees.

Costs are recovered out of policies by the charges detailed in 5.(E).

The contract was open to new business in the year to the valuation date.

### 5. (A) (1) (ii)

The **Capital Investment Bond** is a single premium non-profit whole life assurance under which a percentage of the premium is applied to purchase accumulation units in one or more internal linked funds. The percentage of the premium allocated to purchase units depends on the amount of the premium, currently as follows:

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

Amount of Premium	Percentage Invested
On first £15,000	100
On the excess over £15,000	101

The distribution of the investment among the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

The death benefit under the contract is a multiple of the bid value of the units, the multiple being normally a function of the age at death ranging from 2.5 at age 30 to 1.01 at age 70.

The policy may be surrendered in full or in part at any time, for an amount equal to the bid value of the units surrendered.

Costs are recovered out of policies by the charges detailed in 5.(E).

The contract was open to new business in the year to the valuation date.

5. (A) (1) (iii)

**The Variable Protection Plan** is a whole life assurance under which premiums are payable monthly or yearly. A percentage of each premium is applied to purchase accumulation units in one or more internal linked funds or in the United Kingdom Life With-Profits Fund. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

For contracts entered into from January 1995 onwards 96% of each premium is invested. The investment contents which applied to contracts entered prior to this date are as stated in the Company's DTI Returns for the year ended 15 November 1995.

Prices of units in the United Kingdom Life With-Profits Fund are guaranteed to increase at a rate of 3% per annum. Bonuses are declared each year in the form of an additional rate of growth.

The death benefit under the contract is the greater of the bid value of the units allocated and a sum assured chosen by the policyholder within the limits permitted by the Company.

The Company guarantees that the sum assured chosen at the outset of the contract will remain in force for the first ten years, and that the minimum sum assured required to allow the contract to be a qualifying policy will remain in force thereafter, provided premiums are paid when due. At any time after the first ten years, however, the Company may review the status of the contract and, if it deems it necessary, reduce the sum assured within the limits permitted.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

The plan may be surrendered in whole or in part for an amount equal to the cash value of the units surrendered, or may be altered to paid-up with no further premiums being payable.

Some contracts also provide for waiver of premiums during a period of disability.

In the event of a claim the identifiable current benefit may be supplemented by a terminal bonus, the amount of which is at the discretion of the Company. The Company reserves the right to apply a market value adjustment to the identifiable current benefit attributable to the policy on all claims, with the exception of those arising from death.

Some contracts issued prior to 1988 contained the Guaranteed Insurability Option under which a new Variable Protection Plan can be effected on the life assured before the age of 60 without further evidence of health, subject to limits on the sum assured, provided the plan is in full force and all due premiums have been paid.

Costs are recovered out of policies by the methods listed in 5.(E).

Prior to October 1991 the terms and conditions applying to this contract differed slightly from those outlined above.

The contract was open to new business in the year to the valuation date.

### 5. (A) (1) (iv)

The **Versatile Investment Plan** is an endowment assurance under which premiums are payable monthly or yearly. A percentage of each premium is invested to purchase accumulation units in one or more internal linked funds or in the United Kingdom Life With-Profits Fund. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

For contracts entered into from January 1995 onwards, 96% of each premium is invested. The investment contents which applied to contracts entered prior to this date are as stated in the Company's DTI Returns for the year ended 15 November 1995.

Prices of units in the United Kingdom Life With-Profits Fund are guaranteed to increase at a rate of 3% per annum. Bonuses are declared each year in the form of an additional rate of growth.

The benefit at maturity is the bid value of units allocated.

The benefit on death is the greater of the bid value of units allocated and the sum assured under the contract.

The Company guarantees that the sum assured chosen at the outset of the contract will remain in force for the first ten years, and that the minimum sum assured required to allow the contract to be a qualifying policy will remain in force thereafter, provided premiums



## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

are paid when due. At any time after the first ten years, however, the Company may review the status of the contract and, if it deems it necessary, may reduce the sum assured within the limits permitted.

The plan may be surrendered in whole or in part for an amount equal to the bid value of the units surrendered, or may be altered to paid-up with no further premiums being payable.

Some contracts also provide for waiver of premiums during a period of disability.

In the event of a claim the identifiable current benefit may be supplemented by a terminal bonus, the amount of which is at the discretion of the Company. The Company reserves the right to apply a market value adjustment to the identifiable current benefit attributable to the policy on all claims, with the exception of those arising from death and maturity.

Some contracts issued up to 1988 contained the Guaranteed Insurability Option under which a new Versatile Investment Plan or Variable Protection Plan may be effected on the life assured before the age of 60 without further evidence of health, subject to limits on the sum assured, provided the plan is in full force and all due premiums have been paid.

Costs are recovered out of policies by the methods detailed in 5.(E).

Prior to October 1991 the terms and conditions applying to this contract differed slightly from those outlined above. Prior to 1987, this contract was known as the Variable Investment Bond.

The contract was open to new business in the year to the valuation date.

#### 5. (A) (1) (v)

**Special Investment Bonds** are whole life assurances effected on the exercise of options available under certain regular premium assurances allowing the maturity value to be invested in one or more internal linked funds. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

Each bond has a sum assured and premium payable monthly or yearly of, currently, £250 and £5 per annum respectively. No further units are allocated in respect of the premiums.

The contract may be surrendered in whole or in part at any time for an amount equal to bid value of units surrendered. The option to convert to a Special Investment Bond is available only to contracts effected before February 1988.

Costs are recovered out of policies by the charges listed in 5.(E)

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

5. (A) (1) (vi)

The **Guaranteed Equity Bond** and **Guaranteed Inflation Bond** are single premium non-profit endowment assurances whose maturity values are linked to the increases in the FTSE-100 index or the United Kingdom Retail Price Index respectively. The contracts guarantee minimum rates of return which are fixed monthly in advance for contracts incepting in each calendar month.

Depending on the level of commission paid, between 100% and 102.4% of each premium is deemed to be invested. Where the amount deemed invested is greater than 100% the cost is expected to be recovered subsequently through margins in the premium basis.

The maturity value under the **Guaranteed Equity bond** is equal to the premium deemed invested plus a percentage of any increase in the FTSE-100 index from inception of the contract to maturity. The rate of participation in the growth of the FTSE-100 index for contracts incepting in a given month is fixed at the same time as the guaranteed rates of return.

The maturity value under the **Guaranteed Inflation bond** is equal to the guaranteed minimum maturity value multiplied by the ratio of the Retail Price Index in the calendar month three months prior to the maturity date over the Retail Price Index in the calendar month three months prior to that of the date of inception, subject to a minimum ratio of 100%.

In both cases the death benefit is equal to 101% of the greater of the premium deemed invested and the surrender value.

Surrender values are not guaranteed and reflect the value of the assets underlying the contract.

Full allowance for the costs expected to arise from policies is made in determining the guarantees and participation rates.

Both contracts were open to new business in the year to the valuation date.

5. (A) (1) (vii).

Some **general annuity** contracts have been written under which the benefit in payment increases on each policy anniversary in line with the increase in the United Kingdom Retail Price Index.

5. (A) (2) United Kingdom pensions business - individual contracts

5.(A) (2) (i)

The **Personal Pension Plan** is a single or regular premium pure endowment contract, under which a percentage of each premium is applied to purchase Individual accumulation units

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

in one or more internal linked funds, or on a with-profits basis in the United Kingdom Pension With-Profits Fund or the Pension Inflation Plus Fund. The option is also included to transfer amounts between the internal linked funds and with-profits funds on terms which are not guaranteed.

Where a single premium is paid, the percentage invested depends on the amount of the premium as follows.

Amount of Premium	Percentage Invested
First £1,000	98.0
Next £1,000	100.0
Excess over £2,000	101.0

Under some single premium contracts where a significant amount of commission is given up, the amount of premium deemed invested after allowance for the effect of charges may exceed the actual premium paid. The resulting cost is expected to be recouped through subsequent charges on the contract.

Regular premiums are payable monthly or yearly. Where regular premiums are paid, the percentage of each premium invested is 102.5%, increasing to 105% after premiums have been paid for 10 years.

Whether regular premiums are payable yearly or monthly, an annual charge is made of 3% of the units remaining allocated in respect of the first two years' regular premiums. This charge also applies in respect of each increase in regular premiums.

Costs arising out of policies are met by the charges described in 5.(F) (1), (2) and (4).

Prices of units in the Pensions With-Profits Fund grow daily at a guaranteed rate of 4% per annum. Bonuses are declared each year at the discretion of the Company in the form of additions to this guaranteed rate. Prices of units in the Pension Inflation Plus Fund increase daily at a guaranteed rate based on the Retail Price Index.

On retirement at the age selected on inception or on death the full amount of the identifiable current benefit is available to provide cash lump sum and pension benefits, subject to Inland Revenue restrictions. The benefits may, however, be taken on earlier retirement or as a transfer value subject to a charge calculated as a percentage of the value of the balance of the units allocated in respect of the first two years' premiums. Provision for additional death benefits may be made by supplementary regular premium term assurance policies.

In the event of a claim the identifiable current benefit may be supplemented by payment of a terminal bonus, the amount of which is at the discretion of the Company. The Company

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

reserves the right to apply a market value adjustment to the identifiable current benefit attributable to the policy on retirement if:

- (i) the date of retirement is before age 60, or
- (ii) units have been allocated in respect of single premiums in the five years prior to the date of retirement, or
- (iii) units have been switched into the Pension With-Profits Fund or Pension Inflation Plus Fund within five years prior to the date of retirement.

Waiver of premium benefit may be provided via supplementary regular premium policies.

This contract is no longer issued, but additional increments may be added to existing policies. This contract was issued as the Personal Pension Bond prior to January 1983.

The terms of the contract differed for policies issued prior to 1 July 1988.

### 5.(A) (2) (ii)

The **Castle Pension Series** forms a category of contracts all of which share the same basic structure. The individual contracts within the series are:

- The Castle Personal Pension Plan
- The Executive Pension Plan
- The Free Standing Additional Voluntary Contribution Plan
- The Transfer Plan

The Castle Personal Pension Plan may be used to contract out of the State Earnings Related Pension Scheme.

The contracts are single or, with the exception of Transfer Plan, regular premium endowment contracts. A percentage of each premium is applied to purchase Individual accumulation units in one or more internal linked funds, or on a with-profits basis in the United Kingdom Pension With-Profit Fund or the Pension Inflation Plus Fund. The option is also included to transfer amounts between the internal linked funds and the with-profits funds on terms which are not guaranteed.

Where a single premium is paid, the percentage invested depends on the amount of the premium, as follows:

Amount of single premium	Percentage of single premium invested
First £1, 500	100.0
Next £23, 500	101.0
Excess over £25, 000	102.0

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

Under some single premium contracts where a significant amount of commission is given up the amount of premium deemed invested after allowance for the effect of charges may exceed the actual premium paid. The resulting cost is expected to be recouped through subsequent charges on the contract.

Regular premiums are payable monthly or yearly. The investment contents applicable to contracts depend on the date of inception as tabulated below.

Date of inception	Investment content	
	First 10 years	After 10 years
before 1 July 1988	103.5%	103.5%
1 July 1988 to 31 December 1994	100%	102.5%
after 1 January 1995	95%	95%

Rebates and incentives from the DSS paid under the Castle Personal Pension Plan in respect of Protected Rights have an investment content of 100%.

Costs are recovered out of policies by the methods described in 5.(F).

Prices of units in the Pension With-Profits Fund grow daily at a guaranteed rate of 4% per annum. Bonuses are declared each year at the discretion of the Company in the form of additions to this guaranteed rate. Prices of units in the Pension Inflation Plus Fund increase daily at a guaranteed rate based on the Retail Price Index.

On retirement at the originally selected retirement date or on death the full amount of the identifiable current benefit is available to provide cash and pension benefits, subject to Inland Revenue restrictions. The benefits may, however, be taken on earlier retirement or transfer subject to, in the case of contracts entered into prior to January 1995, a charge calculated as a percentage of the value of the balance of the units allocated in respect of the first two years' premiums, the percentage representing the outstanding annual charges.

Under regular premium contracts additional death benefits may be provided, if required, by cancellation of units or through a supplementary term assurance contract. Executive Pension Plans also contain the option of including contingent spouse's or children's pensions payable on death of the policyholder via a supplementary contract. Some Castle Personal Pension Plans include Contribution Protection Benefit which provides for payment of contributions on behalf of the member (excluding any DSS rebate) during periods of total disability.

In the event of a claim the identifiable current benefit may be supplemented by payment of a terminal bonus, the amount of which is at the discretion of the Company. The Company

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

reserves the right to apply a market value adjustment to the identifiable current benefit attributable to the policy as a result of a claim under the following circumstances:

- on transfer prior to the original retirement date selected at inception, and
- on retirement if
  - (i) the date of retirement is more than five years before the retirement date selected at inception, or
  - (ii) units have been allocated in respect of single premiums in the five years prior to the date of retirement, or
  - (iii) units have been switched into the Pension With-Profits Fund or Pension Inflation Plus Fund within five years prior to the date of retirement.

Some Executive Pension Plans contain a Future Insurability Option under which any additional death benefits may be increased on a policy anniversary in line with increases in the member's salary without further evidence of health. This option is no longer available to new schemes which provide for additional death benefits by means of supplementary term assurances.

Some Transfer Plans where the premium comes from a contracted-out Occupational Pension Scheme are set up as a non-profit non-linked deferred annuity contracts in order to provide Guaranteed Minimum Pension benefits.

All Castle Series contracts were open to new business in the year to the valuation date.

### 5.(A) (2) (iii)

The **Phased Retirement Plan** is a single premium non-profit endowment assurance which accepts transfers from personal pensions and other qualifying schemes for the purpose of phased retirement. If the member has relevant earnings, additional single contributions can be paid into the plan. The plan is only open to persons aged between 50 and 75.

A percentage of each contribution is invested to purchase Individual accumulation units in one or more internal linked funds. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

The percentage invested depends on the amount of the contribution as follows:

Amount of Contribution	Percentage of Contribution Invested
Less than £100,000	101.50
Between £100,000 and £250,000	101.75
£250,000 or more	102.00

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

The investment contents listed above are enhanced by 0.25% in respect of transfers from existing policies with the Company.

Each contribution is applied to an increment and split into 1000 identical policies. Benefits from the plan can be taken at any time between the ages of 50 and 75. Full or partial benefits can be taken from the plan by encashment of whole numbers of policies. On each encashment a proportion of the value terminated can be taken as tax free cash, subject to the Revenue limits. The remainder must be used to purchase members' or members' dependants' pensions.

On death the bid value of the units remaining allocated is available to provide death benefits.

For any monies vested in the first six months, the units of the policies being vested will be deemed to have been purchased at the bid price and not at the offer price.

Costs are recovered out of policies by the charges listed in 1, 2 & 4 of 5.(F). In addition, an annual charge of 0.5% of the remaining value of each increment is levied by the cancellation of units. This charge is variable without limit at the discretion of the Company.

The contract was closed to new business on 12 January 1996.

### 5.(A) (2) (iv)

The **Flexible Pension Plan** is a single premium non-profit endowment assurance which accepts transfers from personal pensions and other qualifying schemes for the purposes of income withdrawal and phased retirement. If the member has relevant earnings, additional single contributions can be paid into the plan. The plan is only open to persons aged between 50 and 75.

A percentage of each contribution is invested to purchase Individual accumulation units in one or more internal linked funds. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

The percentage invested depends on the amount of the contribution as follows:

Amount of Contribution	Percentage of Contribution Invested
Less than £250,000	100.50
£250,000 to £349,999	101.00
£350,000 to £499,999	101.50
£500,000 to £999,999	102.00
£1,000,000 or more	102.25

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

The investment contents listed above are enhanced by 0.25% in respect of transfers from existing policies with the Company.

Each contribution will be applied to an increment and split into 10,000 initially identical policies. Benefits can be taken at any time between the ages of 50 and 75 from selected subgroups of policies. Within each subgroup each policy is treated identically and can either

- be totally encashed in order to provide tax free cash and purchase an annuity, or
- be partially encashed in order to withdraw an income, with part of the proceeds of the initial encashment from each policy available in the form of tax free cash.

The amount of tax free cash and level of income which may be withdrawn from each policy is subject to Inland Revenue limits. Withdrawals of income must be made on a regular basis, although withdrawals of single additional amounts may be made.

On death the full value of the units remaining allocated is available to provide death benefits.

At any time the member may transfer from the plan any group of complete policies from which benefits have not yet been drawn for a transfer value equal to the bid value of the units encashed.

For any policy fully encashed in the first six months the units of that policy will be deemed to have been purchased at the bid price and not at the offer price.

In addition to the charges given in 1, 2 and 4 of 5.(F) costs arising out of policies are met by the following charges:

- a yearly charge of 0.5% of the value of units remaining under each increment will be levied by cancellation of units.
- a charge is made for any alterations to income withdrawal instructions within twelve months of any previous alteration.

All charges may be varied at the discretion of the Company.

The contract was open to new business in the year to the valuation date.

5.(A) (2) (v)

Some non-profit individual immediate **pension annuities** have been written which provide for annual increases to benefits in payment in line with the increase in the United Kingdom Retail Price Index. This contract was open to new business in the year to the valuation date.



THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

**United Kingdom pension business - group contracts**

5.(A) (2) (vi)

The group contracts within the **Castle Pension Series** comprise the following:

- **Retirement Account Plan**
- **Group Money Purchase Plan**
- **Group Personal Pension Plan**
- **Group Additional Voluntary Contribution Plan**

The contracts are similar to the individual contracts within the **Castle Pension series** except that they cover a group of employees. The principal differences are in ancillary benefits and charges.

Additional death cover payable by cancellation of units is available under all contracts. Supplementary regular premium term assurance cover is not available under **Retirement Account Plans** set up as an investment vehicle for additional voluntary contributions or **Group Additional Voluntary Contribution Plans**.

The **Group Money Purchase Plan** and individual policies within a **Group Personal Pension Plan** may be used to contract out of the **State Earnings Related Pension Scheme**.

The option of including contingent spouse's and dependants' pensions is available under all contracts except the **Group Personal Pension**. The cost of providing these benefits is met by cancellation of units under **Retirement Account Plans** set up as an investment vehicle for additional voluntary contributions and **Group Additional Voluntary Contribution Plans**. Otherwise, provision is via a supplementary regular premium contract.

**Contribution Protection benefit** is available only under the **Group Personal Pension Plan**.

The percentage of each premium invested is identical to that for individual contracts, with the exception of regular premiums under schemes effected after 27 November 1995 under the **Group Additional Voluntary Contribution Plans** where 92% of each premium is invested; and **DSS Rebates** under the **Group Money Purchase Plan** where 98.5% of each premium is invested.

All contracts were open to new business in the year to the valuation date.

5.(A) (2) (vii)

The **Trustee Investment Plan** is an investment account plan designed to provide benefits under group pension plans and self invested personal pension schemes. The premiums paid, net of charges, may be invested to purchase **Group accumulation units** in one or more internal linked funds, or on a with-profits basis to purchase **Trustee units** in the **Pension With-Profits Fund** or **Pension Inflation Plus Fund**. Investment on a with-profits basis is not available under newly established Plans.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

Prices of units in the Pensions With-Profits Fund grow daily at a guaranteed rate of 4% per annum. Bonuses are declared each year at the discretion of the Company in the form of additions to this guaranteed rate. Prices of units in the Pension Inflation Plus Fund increase daily at a guaranteed rate based on the Retail Price Index.

Units are cancelled to meet emerging fund payments. A terminal bonus may be payable in respect of units in the Pension With-Profits Fund or Pension Inflation Plus Fund on cancellation, the amount of which is at the discretion of the Company. The Company reserves the right to apply a market value adjustment to the identifiable current benefit in the event of a claim if the number of units cancelled in one of the with-profits funds exceeds ten per cent of the number of remaining units in that fund which were allocated to the policy more than two years before the first day of that policy year.

A fund management charge is levied daily at the following rates with the exception of Group units in the Pension Property Fund and Pension Managed Funds.

Value of units in fund	Annual management charge
On first £4,000,000	0.25%
On next £6,000,000	0.15%
On amount in excess of £10,000,000	0.10%

A fund management charge of 0.25% is incorporated into the unit price. Any excess charges are returned in the form of regular rebates and applied to purchase additional units.

The fund management charge levied against Group units in the Pension Property Fund is 0.45% per annum irrespective of the size of the fund. In the case of Pension Managed Funds, the charges are deducted within the underlying funds, with no additional charge made by the top level fund. No fund management charge is applied in respect of units held in the Pension With-Profits Fund or Pension Inflation Plus Fund.

A charge is made of 1% of net contributions in each scheme year, with a minimum charge of £200 and a maximum of £10,000.

The above charges may be varied without limit at the discretion of the Company.

In addition, a full administration service for the pension plan may be provided for an annual charge of £8,370 per plan, plus £56.80 for each active member and £22.80 for each paid-up member. These charges are guaranteed for the scheme renewal year commencing in the period from 1 January 1996 to 31 December 1996. Thereafter they may be varied at the discretion of the Company. The annual charge has increased by £240, the active member charge has increased by £1.60 and the paid-up member charge has increased by £0.60 since those applicable at the end of the preceding report period.

There are reductions in charges for administration for any employer who operates more than one Plan with the Company or where trusteeship services are provided by Standard

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

Life Trustee Company Limited. Various arrangements for partial administration are negotiated on an individual basis.

### 5.(A) (2) (viii)

Some non-profit immediate and deferred Group **Pension Annuity** contracts have been written under which benefits in payment increase annually in line with the increase in the United Kingdom Retail Price Index.

### 5. (A) (3) United Kingdom permanent health insurance business

#### 5. (A) (3) (i)

The **Income Protection Plan** is a monthly or yearly premium non-profit permanent health insurance contract which provides an income payable monthly in arrear during a period of disability, commencing after a deferred period and ceasing on the expiry date, during which the insured is unable to follow his or her own occupation. Both deferred period and expiry date are selected by the insured on inception of the contract. Deferred periods of 4, 8, 13, 26, 52 and 104 weeks are available and the expiry date must be between the ages of 50 and 65 inclusive.

All policies include the provision to increase the benefit insured on each policy anniversary in line with the National Average Earnings Index, within prescribed limits, on the then current premium rates, provided that the insured is actively at work and the expiry date is not within five years.

Some policies include the provision for the benefit to escalate at a fixed rate of interest during payment, or, subject to limits, in line with the National Average Earnings Index.

The contract does not carry a surrender value.

All policies include a waiver of premium provision for the period during which benefit is being paid.

A full allowance for the expected costs arising from the policies is made in determining the premium rates.

The contract was open to new business in the year to the valuation date.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

5. (B) REPUBLIC OF IRELAND LINKED BUSINESS

5. (B) (1) Republic of Ireland life assurance and general annuity business - individual contracts

5. (B) (1) (i)

The **Capital Investment Bond** is similar to the contract issued in the United Kingdom. A percentage of the single premium is allocated to purchase accumulation units in one or more internal linked funds. For premiums of less than IR£100,000, the percentage of each premium deemed invested is tabulated below.

Amount of Premium	Percentage Invested
On first IR£10,000	100
next IR£15,000	101
excess over IR£25,000	102

For premiums of IR£100,000 or more an investment content of 102% is applied to the whole premium.

The 2000 Series funds are available for investment under the Capital Investment Bond only. Premiums invested in these funds receive an enhancement of 1.5% in addition to the rates tabulated above. Units within these funds are issued in monthly tranches on the first day of each calendar month over a limited period. The fund invests in Republic of Ireland Government and other bonds. Each fund has a fixed redemption date which is 1 October in the year after which the fund is named. On this date all remaining units within the fund will be encashed and reapplied to other funds according to the policyholder's instructions. Provided a unit has been held since its original tranche date it will be encashed on the redemption date at the greater of its bid price and a guaranteed minimum price, the latter dependent on the tranche date. The guaranteed price applies only at the redemption date. The Company reserves the right to close tranches of 2000 Series funds to new investment at any time. At the valuation date only two tranches had been issued, both in the 2000 Fund.

The Capital Investment Bond was open to new business in the year to the valuation date.

5. (B) (1) (ii)

**Special Investment Bonds** are similar to those issued in the United Kingdom.

5. (B) (1) (iii)

The **Universal Life Plan** is a monthly or yearly premium whole life assurance under which a percentage of each premium is applied to purchase units in one or more internal linked funds. The distribution of the investment amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then current rate.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

The percentage of the premium applied each year depends upon the age of the life assured at commencement of the contract, currently as follows:

Age next birthday at commencement	Percentage of Premium Invested		
	First Policy Year	Second Policy Year	Thereafter
35	48	48	100
45	48	48	100
55	48	48	100
65	58	58	100
75	68	68	100

The death benefit under the contract is the greater of the bid value of the units allocated and a sum assured chosen by the policyholder within the limits permitted by the Company.

The Company guarantees that the sum assured chosen at the outset of the contract will remain in force for the first ten years, provided premiums are paid in full. At any time after the first ten years, however, the Company may review the status of the contract and, if it deems it necessary, reduce the sum assured.

Provided that premiums have been paid for two years the plan may be surrendered in whole or in part for an amount equal to the bid value of the units surrendered, or may be altered to paid-up with no further premiums being payable. During the first two years the amount of any surrender value payable is at the discretion of the Company.

Some contracts also provide for waiver of premiums during a period of disability.

On or after the second policy anniversary premiums may be increased, decreased, or single premiums may be paid. The sum assured and the new premium must be within the Company's limits after any change in premium.

Costs are recovered out of policies by the charges listed in 5.(G).

This contract was closed to new business in 1994.

### 5. (B) (1) (iv)

The **Flexible Life Plan** is a whole life assurance under which premiums are payable monthly or yearly. The contract is available in either a Savings or a Protection version. However, if the sum assured is less than twenty times the annual premium then it must be written under the Savings version. A percentage of each premium is applied to purchase accumulation units in one or more internal linked funds or in the Irish Life With-Profits Fund. The percentage invested depends on which version is chosen, with reduced percentages being applied in the first two policy years. The distribution of the investment

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

amongst the internal linked funds may be varied at any time, subject to a charge at the Company's then rates.

Prices of units in the Irish Life With-Profits Fund are guaranteed not to decrease. Bonuses are declared each year at the discretion of the Company in the form of a rate of growth in unit prices. In the event of a claim the identifiable current benefit may be supplemented by a terminal bonus, the amount of which is at the discretion of the Company. However, the Company reserves the right to apply a market value adjustment to the identifiable current benefit in the event of all claims with the exception of those arising from death or full or partial surrender on the Guaranteed Surrender Date (GSD). A GSD must be chosen at inception if the Savings version of the contract is selected and must be at least ten years into the future. It can be changed at any time provided the new date is more than ten years away. The plan does not have to be surrendered on the GSD - it may be left in force.

The death benefit under the contract is the greater of the bid value of the units allocated and a sum assured chosen by the policyholder within the limits permitted by the Company.

The Company guarantees that the sum assured chosen at the outset of the contract will remain in force for the first ten years, provided premiums are paid in full and no withdrawals are made. At any time after the first ten years, however, the Company may review the status of the contract and, if it deems necessary, reduce the sum assured.

At any time the policy may be surrendered in part or in full for the proceeds of units encashed or made paid up with no further premiums being payable, in each case subject to a penalty in the first two policy years.

Sample investment contents for regular premiums payable under single life contracts are shown in Table 1 and Table 2 below.

Table 1	Percentage of Regular Premiums Invested: Protection version		
	First Policy Year	Second Policy Year	Thereafter
Age next birthday at commencement			
55 or under	48	48	102.5
60	53	53	102.5
65	58	58	102.5
75	68	68	102.5

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

Table 2	Percentage of Regular Premium Invested: Savings version		
Term to Guaranteed Surrender Date	First Policy Year	Second Policy Year	Thereafter
10	70	70	102.5
15	65	65	102.5
20 or over	60	60	102.5

After the second policy anniversary, single premiums may be paid into one or more of the internal linked funds. The investment content is 102% of the Single Premium.

On or after the second policy anniversary premiums may be increased or decreased. The sum assured and the new premium must be within the Company's limits after any change in premium.

Waiver of premium benefit is available on single life contracts subject to full underwriting.

Costs are recovered out of policies by the charges given in 5.(G).

The contract was open to new business in the year to the valuation date.

5. (B) (1) (v)

The **Capital Savings Plan** is a whole life assurance similar to the Savings version of the Flexible Life Plan. Premiums are payable monthly or yearly and the same investment options are available as under the Flexible Life Plan. The percentage of regular premiums invested is as that given in Table 2 of the description of the Flexible Life Plan.

The main difference is that the Capital Savings Plan is designed specifically for savings and offers no life cover initially. The amount payable on death is 101% of the identifiable current benefit plus any terminal bonus which may be payable. No mortality charges are deducted whilst the life cover is zero.

On provision of medical evidence life cover may be added on or after the second anniversary of the plan. In this case the plan effectively becomes a Flexible Life Plan.

Waiver of premium benefit is not available.

Costs are recovered out of policies by the charges listed in 5.(G).

The contract was open to new business in the year to the valuation date.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

5. (B) (1) (vi)

The **Mortgage Plan** is a whole life assurance similar to the Flexible Life Plan. Premiums are payable monthly or yearly and the same investment options are available as under the Flexible Life Plan. The percentage of regular premiums invested is as that given in Table 2 of the description of the Flexible Life Plan.

The plan is designed specifically for the repayment of a mortgage and the premium initially payable, on a projected basis, is that which is required to produce the amount of the loan at the chosen Guaranteed Surrender Date. On death the Company guarantees to pay the sum assured, which is equal to the amount of the loan, up to the Guaranteed Surrender Date.

The Guaranteed Surrender Date chosen must be on or between the 10th and 25th policy anniversaries and must fall before the policyholder's 65th birthday.

Partial surrenders and reductions of premiums or sum assured are explicitly excluded from this plan. The sum assured may be increased up to a level determined by the Company taking into account the size of the accrued fund and the level of premiums being paid, subject to evidence of health and provided the associated loan is increased.

The term of the plan may be extended, subject to the approval of the lender, by moving the Guaranteed Surrender Date into the future. The Company imposes limits on how far into the future the plan may be extended.

A future insurability option is available. This allows the policyholder to increase the level of life cover available on the original plan without further evidence of health by effecting a new plan. If this option is invoked the additional life cover must not exceed the lesser of the additional amount borrowed or the life cover under the original plan. The new policy effected will not include a future insurability option or waiver of premium benefit.

Costs are recovered out of policies by the methods described in 5.(G).

The contract was open to new business in the year to the valuation date.

5. (B) (1) (vii)

**Executive Pension Plan and Retirement Account Plan** contracts are similar to those issued in the United Kingdom prior to 1988 but with different investment contents. A percentage of each premium is allocated to purchase Individual accumulation units in one or more internal linked funds or units in the Irish Pension With-Profits Fund. The option is also included to transfer amounts between the internal linked funds and the Irish Pension With-Profits Fund on terms which are not guaranteed.



# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

The investment content for regular premiums is 102.5%. The percentage of each single premium which is invested is as follows:

Portion of Single Premium	Percentage invested
First IR £1,500	98
Next IR £8,500	99
Next IR £15,000	100
Excess over IR £25,000	101

Prices of units in the Irish Pension With-Profits Fund increase daily at a guaranteed rate of 4% per annum. Bonuses are declared each year at the discretion of the Company in the form of additions to this guaranteed rate.

In the event of a claim the identifiable current benefit may be supplemented at the discretion of the Company by the award of a terminal bonus.

The company reserves the right to adjust the identifiable current benefit attributable to the policy as a result of a claim under the following circumstances:

- on withdrawal prior to the retirement date selected at outset, and
- on retirement if
  - (i) the date of retirement is more than five years before the retirement date selected at outset, or
  - (ii) units have been allocated in respect of single premiums in the five years prior to the date of retirement, or
  - (iii) units have been switched into the Irish Pension With-Profits Fund within five years prior to the date of retirement.

The option to provide additional death cover by supplementary term assurance is no longer available other than by exercise of the future insurability option.

The method used to calculate transfer values is identical to that under United Kingdom Castle Series Executive Pension Plans.

Costs are recovered out of policies by the charges listed in 5.(H) below.

The contract was open to new business in the year to the valuation date.

### 5. (B) (1) (viii)

The **Personal Pension Plan** is a single or regular premium endowment assurance. Regular premiums are payable either monthly or yearly. A percentage of each premium is allocated to purchase Individual accumulation units in the Irish Pension With-Profits Fund or in one more internal linked funds. The option is also included to transfer amounts between the

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

internal linked funds and Irish Pension With-Profits Fund on terms which are not guaranteed.

Where a single premium is paid, the percentage invested depends on the amount of the premium as follows:

Amount of Premium IR £	Percentage Invested
250 - 2,999	98.0
3,000 - 4,999	100.0
Excess over 5,000	101.0

Where regular premiums are paid, the percentage of each premium invested depends upon the term to the selected retirement date as follows:

Term to selected retirement date	Percentage of yearly premium invested (Up To IR £499)	Percentage of yearly premium invested (IR £500 and over)
10 or more	97.0	100.0
9	96.0	99.0
8	95.0	98.0
7 or less	94.0	97.0

Lower percentages apply in respect of monthly premiums paid prior to 20 November 1995.

On death the full amount of the identifiable current benefit is available to provide death benefits.

The plan provides benefits on retirement at ages selected at the outset. The benefits may, however, be taken earlier subject to a charge calculated as a percentage of the value of the balance of the units allocated in respect of the first two years' premiums, the percentage representing the outstanding annual charges on these units.

The circumstances in which, and the method by which, such an adjustment may be made in the event of a claim are identical to those described above under the United Kingdom Personal Plan in 5.(A)(2)(i).

Costs are recovered out of policies by the charges listed in 5.(H).

The contract was open to new business in the year to the valuation date.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

5. (B) (2) Republic of Ireland Life Assurance and General Annuity Business -  
Group Contracts

5. (B) (2) (i)

The **Group Money Purchase Plan** is similar to the Executive Pension Plan except that it covers a group of employees. Provided at least one category of members is covered for retirement benefits, the contract includes a provision for one category of members to be covered only for death in service benefits by monthly or yearly premium term assurance or contingent spouses' or dependants' annuity contracts.

The contract was open to new business in the year to the valuation date.

5. (B) (2) (ii)

**Managed Fund pension contracts** are designed to provide benefits under group pension plans and are similar to Trustee Investment Plans issued in the United Kingdom. The premiums payable under these contracts are used to purchase Group accumulation units in one or more internal linked funds. Units are cancelled to meet emerging fund payments.

A charge is made of 2.5% of net deposits in each scheme year, with a minimum charge of IR £250 and a maximum of IR £10,000.

A fund management charge is levied daily at the following rates with the exception of Group units in the Irish Pension Property Fund and the Irish Pensions Overseas Property Fund.

Value of units in fund	Annual management charge
On the First IR £2m	0.50%
On the Next IR £2m	0.25%
On the Next IR £6m	0.15%
On the Excess over IR £10m	0.10%

Charges of 0.50% per annum of the fund values are deducted in calculating the prices of Group accumulation units. Any excess charges are returned in the form of regular rebates and applied to purchase additional units.

A fund management charge of 0.50% per annum is incorporated into the price of Group accumulation units in the Irish Pension Property Fund and the Irish Pensions Overseas Property Fund.

In the case of Irish Pension Managed Funds, these charges are deducted within the underlying funds with no additional charge made in the top level fund.

These charges may be varied without limit at the discretion of the Company.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

The contract was open to new business in the year to the valuation date.

### 5. (C) CANADIAN LINKED BUSINESS

#### 5. (C) (1) Canadian life assurance and general annuity business - individual contracts

##### 5. (C) (1) (i)

The **Ideal Investment Accumulator** is a non-profit single premium deferred annuity contract under which the full amount of each premium is invested to purchase accumulation units in one or more internal linked funds.

There is a withdrawal penalty in respect of units purchased after 30th September 1993 where these units are encashed within 5 years of being purchased. The penalty is expressed as a percentage of the relevant units as follows:

Contract Anniversaries since Deposit	Withdrawal Penalty
0	4.50%
1	4.25%
2	3.50%
3	3.00%
4	2.25%
5	1.25%
6 and after	nil

The penalty does not apply to units purchased before 1st October 1993 or on transfer or conversion to several other Standard Life contracts. It does not apply on withdrawal of up to 10% of the relevant units each year provided the withdrawal does not reduce the account balance below \$25,000.

On death, the value of the units allocated is paid, subject in the case of some contracts to a guaranteed minimum amount equal to the premiums paid less any cash values previously paid out. On vesting, the value of the units allocated is paid, subject in the case of some contracts to a guaranteed minimum amount equal to 75% of the premiums paid less 75% of any cash values previously paid out. An annuity may be purchased on vesting using the then current annuity rate.

This contract was open to new business in the year to the valuation date.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

5. (C) (1) (ii)

The **Portfolio RRIF** is a non-profit deferred annuity contract where single premiums may be invested on both a linked and non-linked basis. The non-linked benefits are fully described in Section 4. Premiums invested on a linked basis are used to purchase accumulation units in one or more internal linked funds.

On death, the value of units allocated is paid, subject in the case of some contracts to a guaranteed minimum amount equal to the premiums paid less any cash values previously paid out. On maturity, the value of the units allocated is paid, subject to a guaranteed minimum amount equal to 75% of the premiums paid less 75% of any cash values previously paid out.

Any non-scheduled withdrawals within the first 4 years are subject to a withdrawal penalty on a sliding scale from 3.5% for withdrawals in the first year down to 2.5% for withdrawals in the third year.

This contract was open to new business in the year to the valuation date.

5. (C) (1) (iii)

The Company offers a single premium non-profit individual **immediate annuity** contract which provides for benefits to increase in line with increases in the Canadian Index. This contract was open to new business in the year to the valuation date.

5. (C) (1) (iv)

**Perspecta** is a whole life assurance contract where single premiums may be invested on both a linked and non-linked basis. The non-linked benefits are fully described in Section 4.

Premiums invested on a linked basis may be invested in one or more of three Index-linked Funds:

- The **Canadian Equity Fund**, under which deposits earn interest at a rate which reflects the performance of the Toronto Stock Exchange 100 Price Index. The rates could be either positive or negative depending on whether the Index rises or falls. If the Index rises, the interest credited is guaranteed not to be less than 90% of the increase. If the Index falls, the interest debited is guaranteed not to be more than 110% of the decrease.
- The **US Equity Fund**, under which deposits earn interest at a rate which reflects the performance of the Standard & Poor's 500 Price Index (adjusted to Canadian Dollars). The rates could be either positive or negative depending on whether the Index rises or falls. If the Index rises, the interest credited is guaranteed not to be less than 90% of the increase. If the Index falls, the interest debited is guaranteed not to be more than 110% of the decrease.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

- The **Canadian Bond Fund**, under which deposits earn interest at a rate which reflects the performance of the Scotia McLeod Universe Bond Index less 3%. The rates could be either positive or negative depending on whether the Index (less 3%) rises or falls.

Where premiums under a single contract have been invested in more than one Index-linked Fund, the contract has been treated in the Returns as comprising a number of separate contracts, the amount of such double-counting being shown in a note to Form 54.

The contract provides an amount of life cover selected by the policyholder within certain limits. The cost of the life cover is met by a monthly deduction from the investment account. The amount of this deduction is defined at the start of the contract. In addition, on death the value of the Index-linked Funds is guaranteed never to be less than 75% of premiums deposited into those funds, less expense charges and any withdrawals.

If certain stated conditions are met, a guaranteed bonus of 0.5% of the investment account balance will be paid on the fifth and subsequent policy anniversaries. This guaranteed bonus will increase to 1.0% on the tenth and subsequent policy anniversaries.

A monthly expense charge of \$10 per contract is deducted from the investment account. This charge is guaranteed not to increase during the term of the contract.

Withdrawals may be made from the contract at any time. These are subject to a surrender charge if they occur within the first seven years. The amount of the charge is expressed as a percentage of the sum of the annual expense charge and the annual cost of life cover all divided by 0.96. The percentages are as follows:

Policy Year	Percentage
1	100%
2	200%
3	300%
4	300%
5	300%
6	200%
7	100%

A proportionate charge is made for partial surrenders.

This contract was open to new business in the year to the valuation date.

5. (C) (2) **Canada life assurance and general annuity business - group contracts**

5. (C) (2) (i)

The **Triplan** is a single premium non-profit group deferred annuity contract. The non-linked benefits are described in Section 4. The linked premiums may be used to purchase

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

units in one or more internal linked funds, which may be encashed for their bid value at any time.

This contract was open to new business in the year to the valuation date.

#### 5. (C) (2) (ii)

The Company offers single premium non-profit group **immediate annuity** contract which provide for benefits to increase in line with increases in the Canadian Consumer Prices Index. This contract was open to new business in the year to the valuation date.

#### 5. (D) GERMAN LINKED BUSINESS

##### 5. (D). (1) German life assurance and general annuity business

##### 5. (D) (1) (i)

INDAX is a single life non-profit endowment assurance under which premiums are payable on either a single, monthly or yearly premium basis. All single premium contracts have a term of 5 years, and all regular premium contracts have a term of 12 years with premiums payable for a term of 5 or 12 years.

A charge is levied as a percentage of each premium in order to meet the costs arising out of the contract. This charge depends on the policy term, premium paying term, premium frequency, age and sex of the life assured. The rate of charge is fixed for the term of the contract provided premiums are paid when due. The Company reserves the right to increase the rate of charge applying to new contracts. No increases were made to the rate of charge during the report period.

Provided all premiums have been paid as due, the benefit on maturity is a guaranteed minimum sum plus an additional amount which depends on the performance of the DAX 30 index. Two versions of the contract are available: "Andante" and "Allegro". Under the Allegro option the additional amount at maturity is equal to a percentage (the "participation rate") of the summation of each premium deemed invested multiplied by a growth factor for that premium. The growth factor for a given premium is calculated by reference to the growth in the DAX 30 index from the premium payment date to maturity and subject to a guaranteed minimum. Under the Andante option, the additional amount at maturity is equal to the participation rate multiplied by the summation over all policy years of the cumulative total of premiums deemed invested at the end of each policy year multiplied by a growth factor for that policy year. The growth factor for a given policy year is calculated by reference to the growth in the DAX 30 index over that policy year and subject to a guaranteed minimum. The Andante option is available only under contracts with a term of 12 years and premium paying term of 5 years.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

The contract is issued in tranches each of which carries its own set of participation rates and guarantees. The Company reserves the right to close a tranche to new business at any time.

The benefit on death is the greater of 60% of the total expected premiums under the contract and 105% of the surrender value.

The policy may be made paid-up or surrendered at any stage. Maturity benefits for paid-up policies are calculated using similar formulae but with the percentage of each premium deemed invested adjusted at the discretion of the Company. The death benefit under a paid-up policy is the greater of 60% of the total premiums paid under the contract and 105% of the surrender value. The amounts of surrender values are at the discretion of the company.

The contract was open to new business in the year prior to the valuation date.

### **5. (E) Charges applicable to United Kingdom unitised life assurance and general annuity business**

The charges listed below apply to all the United Kingdom unitised life assurance contracts described above with the exception of Capital Investment Bonds, to which only the charges listed in 1, 2 and 5 apply, and Special Investment Bonds to which only the charges listed in 2 and 5 apply.

1. The investment contents as described above are applied to premiums paid and are then subject to bid-offer spread, currently 5 per cent.
2. A fund management charge, currently at the rate of 0.75% per annum, is incorporated into the unit price of each internal linked fund, except in the case of Managed Funds where this deduction is applied only to the underlying funds and not to the top level fund. This charge is not applied to the United Kingdom Life With-Profits Fund.
3. A service charge is levied monthly by cancellation of units, currently at the rate of £1 per month.
4. On switching of units between internal linked funds a charge is deducted from the value of units encashed prior to application to purchase of units in the new funds. Each policyholder is permitted to make one switch per annum free of charge. The bid-offer spread is waived on switches between funds.
5. Charges are made to pay for the cost of life cover and, where applicable, critical illness and waiver of premium cover by monthly cancellation of units.

Where charges are made by cancellation of units, cancellation is made proportionately according to the amount invested in each fund.

All the charges listed in 1. to 4. and the mortality and morbidity rates underlying the charges in 5. may be varied at the discretion of the Company.



**THE STANDARD LIFE ASSURANCE COMPANY**

**SCHEDULE 4 - Continued**

**5. (F) Charges applicable to United Kingdom unitised pensions business**

Subject to the exceptions described in the description of each product, the following charges are levied on all United Kingdom unitised pension contracts other than the Trustee Investment Plan.

1. The investment contents described above are applied to premiums paid and are then subject to a bid-offer spread, currently 5 per cent.
2. A fund management charge, currently at the rate of 0.625% per annum, is incorporated into the prices of Individual accumulation units in internal linked funds, except in the case of Managed Funds where this deduction is applied only to the underlying funds and not to the top level fund. This charge is not applied to the United Kingdom Pension With-Profits Fund or Pension Inflation Plus Fund.
3. A monthly service charge on individual contracts and a monthly per member charge on group contracts is levied by cancellation of units. The current rates of these charges are tabulated below.
4. On switching of units between funds a charge is deducted from the value of units encashed prior to application to purchase of units in the new funds. Each individual policyholder or member is permitted to make one switch per annum free of charge. The bid-offer spread is waived on switches between funds.
5. Where applicable, charges are made to pay for the cost of additional life cover and Contribution Protection Benefit by the monthly cancellation of units.
6. For regular premium contracts entered into prior to January 1995, an annual charge is made in respect of the units remaining allocated in respect of the first two years' regular premiums. This charge, which applies for a maximum of 25 years, also applies in respect of each increase in regular premiums. The rate of the charge is 1.5% for contracts entered between 1 July 1988 and 31 December 1995 and 3.0% for contracts entered prior to 1 July 1988. There is no such charge for contracts entered into from January 1995 onwards.

Monthly service charges on United Kingdom unitised Pension Business	
Individual contracts	Monthly service charge
DSS Rebate only Castle Personal Pension	£1.50
Executive Pension Plan	£3.50 in respect of active members £2.95 in respect of paid-up members
All other individual Castle contracts	£2.95
Pre 1988 Personal Pension	nil

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

Monthly service charges on United Kingdom unitised Pension Business	
Group Contracts	Monthly per member charge
Group Personal Pension	£1.50
Group Money Purchase Plan (contracted into SERPS)	£1.50
Group Money Purchase Plan (contracted out of SERPS)	£1.50 (members covered for death in service benefits only) £3.05 otherwise
Group AVC Plan	£1.50 (schemes effected before 28 November 1995) nil (schemes effected after 27 November 1995)
Retirement Account Plan except: Retirement Account Plans used as investment vehicles for Small Self Administered Pension Schemes	£1.50  £3.50 in respect of each member for whom premiums are being paid £2.95 for each paid-up member

Where charges are made by cancellation of units, cancellation is made proportionately according to the amount invested in each fund.

All charges listed in 1. to 4. and the mortality and morbidity rates used to calculate the charges in 5. may be varied at the discretion of the Company.

### 5. (G) Charges applicable to Republic of Ireland unitised life assurance and general annuity business

The following charges apply to the Universal Life Plan, Flexible Life Plan, Capital Savings Plan and Mortgage Protection Plan issued in the Republic of Ireland. The charges listed in 1., 2. and 4. apply to the Capital Investment Bond and Special Investment Bond issued in the Republic of Ireland.

1. The investment contents described under the product descriptions are applied to premiums paid and are subject to a bid-offer spread, currently 5 per cent
2. A fund management charge is levied against internal linked funds, with the exception of the Managed Funds, and incorporated into the unit price. The current rate is 0.75% per annum on all funds, with the exception of 2000 Series Funds where the rate is 0.25% per annum. For Managed Funds this deduction is applied only to the underlying funds and not to the top level fund. This charge is not applied to the Irish Life With-Profits Fund.
3. A service charge is levied monthly by cancellation of units, currently at the rate of IR £1.20 per month on all contracts with the exception of Capital Investment Bonds and Special Investment Bonds.

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

4. On switching of units between internal linked funds a charge is deducted from the value of units encashed prior to application to purchase units in the new funds. Each policyholder is permitted to make one switch per annum free of charge. The bid-offer spread is waived on switches between funds.
5. Charges are made to pay for the cost of life cover and, where applicable, waiver of premium cover by monthly cancellation of units.

The charges listed in 1. to 4. and the rates of mortality and morbidity assumed in the derivation of charges in 5. may be varied at the discretion of the Company.

#### **5. (H) Charges applicable to Republic of Ireland unitised life assurance and general annuity business**

The following charges apply to Personal Pension Plans, Executive Pension Plans, Retirement Account Plans and Group Money Purchase Plans issued in the Republic of Ireland.

1. The investment contents in the product descriptions are applied and subject to a bid-offer spread, currently 5 per cent.
2. A fund management charge, currently at the rate of 0.875% per annum, is incorporated into the price of Individual units in internal linked funds, with the exception of the Managed Funds where this deduction is applied only to the underlying funds and not to the top level fund. This charge is not applied to the Irish Pension With-Profits Fund.
3. A service charge is levied monthly by cancellation of units, currently at the rate of IR £1.25 per month for each member of an Executive Pension, Retirement Account or Group Money Purchase Plan. There is no such charge for Personal Pension Plans.
4. On switching of units between funds a charge is deducted from the value of units encashed prior to application to purchase of units in the new funds. Each policyholder is permitted to make one switch per annum free of charge. The bid-offer spread is waived on switches between funds.
5. Where applicable, charges are made to pay for the cost of additional life cover by the monthly cancellation of units.
6. For regular premium contracts an annual charge is levied on the units remaining allocated in respect of the first two years' regular premiums. This charge is at the rate of 3.0% per annum on Executive Pension, Retirement Account and Group Money Purchase Plans and 3.5% per annum on Personal Pension Plans. This charge also applies in respect of each increase in regular premiums.

The charges listed in 1. to 4. and the basis underlying the charge in 5. may be varied without limit at the discretion of the Company.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

### 5. (I) Charges applicable to Canadian linked life assurance and general annuity business

The following charges apply to the Ideal Investment Accumulator, the Portfolio RRIF and Triplan:

1. Fund management charges at the following rates per annum are incorporated into the unit price of each Canadian internal linked fund:

Canada Ideal Money Market Fund	1.00%
Canada Ideal Diversified Fund	2.00%
Canada Ideal Bond Fund	2.00%
Canada Ideal Equity Fund	2.00%
Canada Equity Fund (Individual)	0.75%
Canada Save & Prosper Property Fund	2.00%
Canada Westmount Equity Fund	0.50%
Canada United Prosperity Fund	0.00%
Canada Northern Investment Fund	0.60%
Canada Equity Fund (Group)	1.50%
Canada Diversified Fund (Group)	1.50%

These charges may be changed on giving written notice to each unit holder, but are guaranteed not to exceed 2.4% per annum for any of the four Ideal Funds.

2. Withdrawal penalties may be levied in certain circumstances under the Ideal Investment Accumulator and Portfolio RRIF contracts. Details are given in section 5 (C).

### 5. (4)

Prices of units are determined each working day for each internal linked fund by the Appointed Actuary.

Units are created at the "creation price". The creation price is determined by valuing the assets in the fund based on the prices at which they could be acquired, including the costs of acquisition, any uninvested cash and accrued income, and net of fund management charges, expenses, duties or charges arising from the operation of the fund, any borrowings by the fund and interest thereon, and, where applicable, deductions in respect of tax. The result is then divided by the number of units in the fund.

Units are cancelled at the "cancellation price". The cancellation price is determined by valuing the assets in the fund based on the prices at which they could be sold, including any uninvested cash and accrued income, and net of the costs of disposing of those assets, the fund management charges, expenses, duties or charges arising from the operation of the fund, any borrowings by the fund and interest thereon, and, where applicable, deductions in respect of tax. The result is then divided by the number of units in the fund.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

Units are allocated to policies at the offer price and deallocated from policies at the bid price. Bid prices of units are calculated using a base price determined by the Appointed Actuary following each valuation. With the exception of Group units issued in pension business funds, the offer price is the base price multiplied by 100/95 and rounded to the higher one tenth of a penny, and the bid price is equal to the offer price multiplied by 95/100 and rounded to the lower one tenth of a penny. For Group units issued in pension business funds the offer price and bid price are both equal to the base price rounded to the higher one tenth of a penny.

The base price is the price determined by the Appointed Actuary, having regard to the net cash flow to the fund, which he considers appropriate to maintain fairness and equity between incoming, outgoing and continuing unitholders. The base price is no less than the cancellation price and no greater than the creation price.

Units are created or cancelled at the corresponding price determined at the valuation on the preceding day. The unit prices used to allocate or deallocate units are those determined as a result of the valuation on the day prior to the transaction with the exceptions of switches between internal linked funds and surrenders. Depending on the time at which the request is received, the prices applicable on surrender of units in the life assurance business funds and on switching between funds are those determined at the first or second valuation following receipt by the parent company of the policyholder's request. The Company reserves the right to defer encashment of units for a limited period in respect of withdrawals, surrenders and on switching between funds.

The holdings of internal linked funds in collective investment schemes are mainly units in authorised unit trusts managed by Standard Life Trust Management Limited (SLTM). Those units are valued on prices reflecting a mid-market value of the trust's assets. Unit holdings in other collective investment schemes are valued at the prices most recently available to the pricing supplier at the time of the valuation.

In pension business funds issuing both Group and Individual units, prices for each series are set in accordance with the above principles in a manner which the Appointed Actuary considers maintains equity between both classes of unitholders.

The Unit Endowment Fund invests solely in an authorised unit trust managed by SLTM. The Fund price is normally determined monthly based on assets valued at mid market prices. The price so determined is rounded to the nearer 1/10th of a penny and is used for both allocation and cancellation of units.

### 5(5)

Where applicable, a provision for tax on realised and unrealised capital gains in an internal linked fund is made in the determination of unit prices. The provision and investment return thereon are retained within the fund. When the liability for tax falls due, the tax payment is made from the fund.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

During the report period the following deductions were applied to gains (net of indexation relief in United Kingdom business funds) in determining the tax provision.

Asset class	United Kingdom		Republic of Ireland
	Realised gains	Unrealised gains	Realised and unrealised gains
Equities	24.37	20	27
Bonds	24.37	18	27
Property	24.37	17.5	27
Unit trust holdings	24.37	20	27

Gains resulting from deemed disposals of unit trusts and collective investment schemes are spread over seven years in accordance with the Taxes Act. Deductions are made for the portion of such gains for which a tax payment falls due in the current year at the rate applicable to realised gains listed in the table above. Deductions in respect of the portions of such gains for which tax payments fall due in subsequent years are made at the rate applicable to unrealised gains listed in the table above.

No provision is made for realised or unrealised gains in respect of the Canadian property linked funds.

In the Unit Endowment Fund the treatment of realised capital gains is identical to that described above. No provision is made in respect of unrealised gains, however a corresponding charge is deducted in the event of a claim. During the report period the amount of this charge was 12.5% of the unrealised gain in the associated Unit Trust which was attributable to the units encashed (after allowance for indexation relief).

### 5(6)

Some United Kingdom life business funds invest in units of certain authorised unit trusts administered by Standard Life Trust Management Limited (SLTM). Internal linked funds purchase units in these trusts at the creation price, receiving a full discount of the preliminary charge of, currently, 5.75% in all trusts in which investment is made. Rebates of the fund management charges levied by SLTM are made in respect of investments in these unit trusts with the aim of ensuring that policyholders pay the same management charges as if the relevant assets had been held directly by the internal linked fund. The current rate of rebate is 0.45% per annum for all trusts in which units are held. The full extent of these allowances is passed on to policyholders.

The Company does not benefit from any other form of discount, commission or allowance on the purchase, sale or holding of units in collective investment schemes.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

6.

(1)

Valuations are made each year upon principles which are determined by the Directors from time to time in accordance with the powers vested in them under the Standard Life Assurance Company Act 1991. The guaranteed liabilities of the Company, together with the substantial provisions for future bonus, are in all cases covered by assets of the same currency.

- a) For property linked contracts allowance has been made for the market values of derivative contracts in the calculation of the unit price. The value of the investment liability under the INDAX contract issued in Germany has been taken as the cost at which the derivative contracts purchased to match this liability could readily be closed out. No specific allowance has been made for derivative contracts in the calculation of the amount of other long term liabilities.
- b) On the assumption of anticipated investment returns which themselves are reasonably prudent, the liability provisions for with-profits business are sufficient to enable an appropriate level of regular bonuses to emerge in future years.
- c) The reserves for non-linked contracts which are not accumulating with-profits contracts have been calculated using a net premium method, modified as follows:
  - (i) The liabilities for individual life assurance contracts were calculated using a zillmerised net premium method making an allowance of 5% of the net premium, limited to 3.5% of the sum assured. The modification conforms with Regulation 68 of the Insurance Companies Regulations 1994.
  - (ii) The future net premiums valued for each contract have been restricted to provide for future expenses and guaranteed surrender values.
  - (iii) For individual level and decreasing term assurances, accidental death benefits and disability benefits, reserves have been held at least equal to one full year's premium (or to the single premium received) to provide against fluctuations in experience. For the Increasable Term Assurance reserves have been held at least equal to two full years' premiums to provide against fluctuations in the experience and to make provision for the option.
  - (iv) For group death-in-service and permanent health benefits issued on a single premium basis, reserves have been held prior to the date of claim equal to one full year's premium to provide against fluctuations in experience. Further substantial reserves have also been held to provide against fluctuations in experience.
  - (v) For individual permanent health policies the net premium was restricted to a maximum of 90% of the annual office premium. Where an extra premium has been charged on policies issued to substandard lives and lives subject to additional risk, a reserve has been set up equal to 150% of the annualised extra premium.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

- (vi) For individual deferred annuity bonds, reserves have been held equal to the greater of the value of the cash option and the value of the emerging annuity.
- (vii) For Idealife, Flexible Premium Deferred Annuity, Other Individual Accumulation contracts, Portfolio RRIF, Triplan, Guaranteed Accumulation and Deposit Administration contracts, reserves have been calculated as the amounts deposited accumulated with interest up to the date of valuation.
- (viii) Reserves have been calculated in respect of guaranteed insurability benefits, equal to the sum of the additional premiums paid for the benefits.
- d) All negative reserves have been eliminated and implicit provision has been made to cover any anticipated future increases in such negative reserves, ensuring that no contract has been treated as an asset.
- e) No specific reserve has been made for future bonus.
- f) In the case of property linked contracts other than the Unit Endowment contract, the prices of the relevant units make allowance for the prospective liability for tax on unrealised capital gains. A deduction is made from the claim values of Unit Endowment contracts to provide for tax on unrealised capital gains, and additional reserves have been held to provide for any insufficiency of such deductions in future. The mathematical reserves for non property linked contracts include additional provisions to cover the prospective liability to capital gains tax.
- g) In calculating reserves for accumulating with-profits policies the bid values of allocated units were projected forward to the date of claim at the rate of growth guaranteed under the contract, with the exception of Homeplan units in the United Kingdom Life With-Profits Fund, which were projected forward using a rate of growth of 3%. The projected fund values were discounted using prudent rates of interest in accordance with 6(b). A proportion of the identifiable current value of benefits was held to provide for the investment guarantees under Airbag and Swing contracts issued in Germany.

Provision for investment guarantees under the Guaranteed Equity Bond has been made by holding reserves adequate to meet the expected shortfall on projection of maturity values under an assumed probability distribution of returns on the FTSE-100 Index. The investment guarantee under the Guaranteed Inflation Bond was allowed for by discounting the guaranteed amount, increased to allow for inflation since inception to the valuation date, at a real investment return on 2.75% net of tax.

The investment guarantees under the INDAX contract have been accounted for in the valuation of the matching derivative asset.

For annuity contracts where the payments are guaranteed to increase in line with a retail price index, reserves have been calculated assuming a real investment return of 3.5%.



## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

For individual permanent health insurance contracts where the benefits in payment are guaranteed to increase in line with the National Average Earnings Index, a rate of increase of 8.5% per annum was assumed. In all cases, the initial amount of benefit was assumed to increase at the same rate.

Minor investment performance guarantees arise in connection with some Ideal Investment Accumulator and Portfolio RRIF contracts in Canada. To allow for these guarantees additional reserves have been held, calculated as adequate to meet the potential amounts of the guaranteed liabilities.

It is guaranteed that the bid price of units in the Cash Funds will not decrease. No provision for this guarantee has been considered necessary in view of the nature of the underlying investments.

- h) The Company has entered into an agreement with Standard Life Investment Funds Limited and with Standard Life Pension Funds Limited under which the Company guarantees, in return for the expense deductions incorporated in those companies' contracts, to meet all the expenses of those companies. In addition, the Company has entered into an agreement with Standard Life Pension Funds Limited under which the Company will automatically accept reinsurance, on the terms which have been applied in accordance with the principal contract, of all annuities which are secured under group annuity policies issued by Standard Life Pension Funds Limited.

The Company is a member of Insurope which is an association of insurance companies, each based in a different country, formed to administer and pool risks on a stop-loss basis under multinational employers' employee benefits arrangements.

The Company is a member of the Canadian Life and Health Insurance Compensation Corporation which, in the event of the insolvency of one of its members, will guarantee certain payments under contracts insured by the insolvent member, and will impose a levy on the other members.

The Company is party to agreements in the United Kingdom and Canada under which a number of offices have agreed to pool some excess losses which may arise as a result of a serious catastrophe.

No specific provisions have been considered necessary in respect of these agreements, the basis of valuation described earlier being considered to make sufficient allowance for them.

The options described in Paragraph 4.(1)(c) have been allowed for as follows:

For whole life and endowment contracts which contain guaranteed surrender and paid-up values, the calculated reserves have been compared with the discounted

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

guaranteed surrender and paid-up values in each future year and sufficient additional reserves held to provide for the highest value so obtained.

For contracts with guaranteed insurability options, the calculated reserves have been subjected to minimum values on a contract-by-contract basis which substantially exceed those required on the assumption that the options are foregone only by those experiencing the select mortality of newly-underwritten lives.

For deferred annuity contracts where cash sums are available in lieu of the annuity and for pure endowment contracts where a guaranteed annuity option exists, both the cash sum and the annuity have been valued and the greater result taken when calculating the published reserve. For deferred annuity and pure endowment contracts where the amounts payable on early retiral are guaranteed, the calculated reserves have been compared with the discounted value of the guaranteed benefits and additional reserves held where necessary.

Provision for the cost of the redemption option under the Irish 2000 Fund was made by establishing an additional reserve sufficient to meet the shortfall projected under prudent assumptions and assuming 100% exercise of the redemption option.

7.  
(1) The rates of interest and tables of mortality and disability assumed in the valuation of the various categories of contract are shown in Forms 51, 52, 53 and 54. The bases referred to are as follows:

### Basis 1

Pre-vesting	AM80
Post-vesting: males	90% PMA80 C10
Post-vesting: females	110% PFA80 C10

### Basis 2

Pre-vesting	AM80
Post-vesting: males	80% IM80 C10
Post-vesting: females	95% IF80 C10

### Basis 3

Pre-vesting	AM80
Post-vesting: males	90% IM80 C10
Post-vesting: females	IF80 C10

### Basis 4

Pre-vesting	AM80
Post-vesting: males	IM80 C10
Post-vesting: females	IF80 C10

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

### Basis 5

Pre-vesting	AM80
Post-vesting: males	PMA80 C10
Post-vesting: females	PFA80 C10

Basis 6 90% 1983IAM

Basis 7 90% 1983GAM

Basis 8 used in the valuation of United Kingdom individual permanent health insurance contracts comprises the A67/70 ultimate mortality table and a morbidity table consisting of a combination of separate claim inception and termination rates.

The inception rates used were a proportion of those published in the Continuous Mortality Investigation Report Number 7, published by the Institute of Actuaries and the Faculty of Actuaries.

The proportions used for male lives were:-

Deferred period	Proportion of CMIR 7	CMIR 7 Table
less than 14 weeks	125%	13 weeks deferred
14 weeks to 26 weeks	200%	26 weeks deferred
27 weeks to 52 weeks	100%	26 weeks deferred
53 weeks or more	50%	26 weeks deferred

For female lives the above proportions were increased by 50% for deferred periods less than 14 weeks and 100% otherwise.

The termination rates used were a proportion of those published in a report submitted to the Board of Governors at the Society of Actuaries on 15 January 1985. The proportions used were 50% of the Disability Table Survey termination rates in the first 18 months of sickness and 80% of the Disability Table Survey termination rates thereafter.

The abbreviation CDT used in Form 55 refers to the 1964 Commissioners Disability Table, modified to take into account the most recent appropriate experience.

- (2) Only published tables of mortality and morbidity have been used.
- (3) The tables of mortality and morbidity assumed have been chosen as a prudent assessment of the relevant experience having regard to the State of Commitment.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

- (4) In the valuation of annuity contracts issued in the United Kingdom and Republic of Ireland allowance has been made for future reductions in the rates of mortality by use of tables which have incorporated such an allowance. In the valuation of annuity contracts issued in Canada margins have been taken in standard tables which make prudent provision for projected improvements in the mortality of annuitants.
- (5) The mathematical reserves include additional provisions sufficient to cover the cost of AIDS mortality assessed on the basis of one third of the projection R6A rates published by the Institute of Actuaries. No specific allowance has been made for the possible detrimental impact of any other significant changes in the incidence of disease or developments in medical science on the mortality and morbidity experience of the Company.
- (6) The mathematical reserves for contracts which are not property linked are sufficient to meet the liabilities as determined in accordance with regulations 65 to 74 of the Insurance Companies Regulations 1994 in the following three scenarios:
  - a) A reduction in fixed-interest yields of 20% combined with a fall in values of equities and properties of 10%, and a reduction in real yields on index-linked securities of 25%.
  - b) A reduction in fixed-interest yields of 10% combined with a fall in equity values of 25%, a fall in property values of 20%, and a rise in real yields on index-linked securities of 10%.
  - c) A rise in fixed-interest yields of 3 percentage points combined with a fall in equity values of 25%, a fall in property values of 20%, and a rise in real yields on index-linked securities of 25%.

No change in the levels of dividend and rental income has been assumed in any of the scenarios. No allowance has been made for currency movements as the liabilities are covered by assets of the same currency.
- (7) The mathematical reserves for non-profit non-linked contracts incorporate provision against the effects of possible future changes in the value of the assets on the ability of the Company to meet its obligations as they arise by comparing valuations of the Company's guaranteed liabilities and of the corresponding assets at interest rates of between 4% per annum and 12% per annum. No such provision was considered necessary for with-profits contracts.
- (8) No additional reserve was required pursuant to regulation 75(b) of the Insurance Companies Regulations 1994 under any of the scenarios described under subparagraph (6) above.
  - a) Interest rates were the only assumptions changed when calculating the requirement.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

- b) Assets were re-hypothecated to back each category of liability in such a way as to minimise the amount of additional reserve required to satisfy Regulation 75(b). Numerous model points were used to model the value of each category of liability.
  - c) The aggregate amount of long term liabilities exceeded those calculated under the most onerous scenario by £3,215M. The aggregate value of assets in Form 13 allocated to match long term liabilities exceeded the value of assets allocated on application of the changed assumptions under the most onerous scenario by £3,215M.
- (9) Where contracts are denominated in currencies other than sterling, the rates of interest assumed in the valuation are calculated in accordance with regulation 69(10) of the Insurance Companies Regulations 1994 having regard to the yields available under assets denominated in the currency of those liabilities.
- 8.
- (a) The proportion of the office premiums implicitly reserved for expenses and profits for each type of insurance has been shown, where appropriate, on Form 51 and Form 52.
  - (b) Where, as in the case of single premium contracts, the prospective valuation method does not take credit for future premiums, provision has been made where necessary for future expenses by taking an additional margin in the valuation rate of interest. In other cases additional reserves have been held to provide for expenses after premiums have ceased.
  - (c) Where a prospective valuation method has not been used, specimen liability provisions have been tested to ensure that the resulting reserves do not differ significantly from the corresponding prospective amounts.
  - (d) Where, in valuing contracts falling within the circumstances described in Regulation 67(1) of the Insurance Companies Regulations 1994, future premiums brought into account were not in accordance with that Regulation, the mathematical reserves for each category of contract were not less than the mathematical reserves that would have been determined on the net premium basis specified for that category in the Returns. The aggregate amounts so determined represented less than 5% of the total mathematical reserves for all contracts.
- 9.
- (a) The reserves in column 12 of Form 53 have been calculated as the market values of the Funds to which the benefits of the contracts are linked.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

In calculating the reserves in column 13 of Form 53 the expenses of administration were assumed to be identical to the expense charges made against each policy. Additionally, it was assumed that, if necessary, expense charges would be increased to meet any increases in those expenses. Similar assumptions were made, where applicable, in respect of the costs of mortality and morbidity and the risk benefit charges made to meet those costs.

Substantial additional provision was made to provide for potential adverse deviations in these factors.

The reserves for future maturity guarantees under the Ideal Investment Accumulator and the Portfolio RRIF have been calculated as described in 6.(g) above.

For contracts issued under the Income Protection Plan the reserve for claims in payment has been increased by 6% to allow for future administration expenses. The other assumptions used are as stated on Form 54 and in 6.(1)(c)(v), 6.(1)(g) and 7(1) above.

The investment liability in respect of the INDAX contract issued in Germany has been calculated as described in 6.(1)(a) above. An additional mortality reserve has been calculated equal to one year's notional mortality charge based on the sum at risk under the contract and the published DAV 1994 mortality table. Substantial additional provision has been made for future expenses.

The liabilities in respect of the index-linked Guaranteed Bonds, general and pensions annuities issued in the United Kingdom have been valued as described in 6.(1)(g) and 8.(b) above.

(b) Not applicable.

10.

- (1) The additional provisions referred to in Paragraph 9 would support a prudent excess of inflation of expenses over increases in charges.
- (2) In calculating the aggregate amount, grossed up for taxation where appropriate, arising during the twelve months after the valuation date from implicit and explicit reserves made in the valuation to meet expenses in fulfilling contracts in force at the valuation date, the following items were considered:
  - for conventional business, the margin between the office premiums and net premiums after making allowance for the amount needed for future bonuses,
  - for unitised contracts, the expected charges which would be received in the coming year

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

- the loadings assumed in the valuation.

The amount was £200m.

- (3) In calculating the reserve required in respect of the expenses of continuing to transact new business during the twelve months following the valuation date it was assumed that new business volumes and product mix would be in line with company projections. Internal estimates of costs were used.

No specific additional reserve was required.

- (4) In calculating the reserve required to meet the costs of closure to new business if the company were to cease to transact new business twelve months after the valuation date the following items were considered:

- the leasing agreements on properties which would no longer be required,
- the redundancy costs for surplus staff,
- the cancellation of development work,
- termination of management agreements.

No specific additional reserve was required.

11.

(1)

Currency of liability	Sum of mathematical reserves (excluding property linked liabilities) and deposits received from reinsurers (£ 000)	Percentage of total	Currency of assets	Value of matching assets (£ 000)
Sterling	23,797,454	81.70	Sterling	23,797,454
Canadian Dollar	4,837,519	16.48	Canadian Dollar	4,837,519
Other currencies	532,214	1.82		see (2) below
TOTAL	29,167,187	100.00		

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

- (2) Of the liabilities grouped together under "other currencies" in the above table 100% are matched by assets denominated in the same currency.

12.

- (1) The Company paid reinsurance premiums of £591,715 in the financial year to reinsurers who are not permitted to carry on business in the United Kingdom in respect of business ceded on a facultative basis. There are no associated deposit back arrangements. The Company is not connected with any reinsurer who is not authorised to carry on reinsurance business in the United Kingdom.
- (2) The Company is ceding insurer in respect of the following reinsurance treaties under which business was in force at the date of the investigation.
- (a) An agreement with Standard Life Investment Funds Limited, a company authorised to carry on insurance business in the United Kingdom and a wholly-owned subsidiary of the Company. Under this agreement Standard Life Investment Funds Limited automatically accepts reinsurance of all or part of the benefits under some property linked contracts. The premiums payable under the agreement during the financial year amounted to £992,042,703. There is no associated deposit back arrangement and no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.
- (b) An agreement with Standard Life Pension Funds Limited, a company authorised to carry on insurance business in the United Kingdom and a wholly-owned subsidiary of the Company. Under this agreement Standard Life Pension Funds Limited automatically accepts reinsurance of all or part of the group life assurance benefits under some contracts. The premiums payable under the agreement during the financial year amounted to £8,677,413. There is no associated deposit back arrangement and no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.
- (c) An agreement with Swiss Reinsurance Company (UK) Limited, a company authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement certain benefits under term assurance contracts are ceded and accepted automatically within limits. The premiums payable under the agreement during the financial year amounted to £2,739,960. There is no associated deposit back arrangement and provision has been made for any liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.
- (d) An agreement with Munich Reinsurance Company Limited, a company authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement certain benefits under group permanent health



## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

insurance contracts issued in the United Kingdom and Republic of Ireland are ceded and automatically accepted within limits. The premiums payable under the agreement during the financial year amounted to £2,320,169. There is no deposit back arrangement and provision has been made for any liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.

- (e) An agreement with UNUM Limited, a company authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement benefits under individual permanent health insurance contracts issued in the United Kingdom are ceded and automatically accepted within limits. The premiums payable under the agreement during the financial year amounted to £1,107,037. There is no deposit back arrangement and no liability to refund amounts of reinsurance commission in the event of the contract being lapsed. The agreement is open to new business.
- (f) An agreement with The Mercantile and General Reinsurance Company plc, a company authorised to carry on insurance in the United Kingdom and not connected with the Company. Under this agreement certain benefits under group life assurance contracts are ceded and automatically accepted within limits. The premiums payable under the agreement during the financial year amounted to £122,436. There is no deposit back arrangement and provision has been made for any liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.
- (g) An agreement with SKF Reinsurance Company Limited, a company not authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement, fifty per cent of the group life assurance benefits insured under some contracts is ceded automatically. The premiums payable under the agreement during the financial year amounted to £3,434. There is no deposit back arrangement and no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contract. The agreement is open to new business.
- (h) An agreement with Swiss Re Life of Canada, a company not authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement, a fixed proportion of certain Canadian life assurance business is ceded and accepted automatically within limits. The premiums payable during the financial year amounted to £15,596,603. Under the associated deposit back arrangement an amount of £32,760,000 was deposited with the cedant at the valuation date. There is no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is closed to new business.
- (i) An agreement with Munich Reinsurance Company Canada Branch (Life), a company not authorised to carry on insurance business in the United Kingdom and not connected with the Company. This is a yearly renewable term agreement under which the sum at risk within given layers under some individual Canadian life

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

assurance business is ceded and accepted automatically within limits. The premiums payable under the agreement during the financial year amounted to £189,818. There is no associated deposit back arrangement and provision has been made for any liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.

- (j) An agreement with The Mercantile and General Life Reinsurance Company of Canada, a company not authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement small amounts of Canadian business are ceded and accepted automatically within limits. The premiums payable under the agreement during the financial year amounted to £72,255. There is no associated deposit back arrangement and no liability to refund reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is closed to new business.
- (k) An agreement with Swiss Re Life of Canada, a company not authorised to carry on insurance business in the United Kingdom and not connected with the Company. This is a yearly renewable term agreement under which the sum at risk within given layers under some individual Canadian life assurance business is ceded and accepted automatically within limits. An additional individual surplus agreement covers certain individual whole life assurances under which a proportion of premiums and claims under policies where the sum assured exceeds the retention limit are ceded and accepted automatically. The premiums payable under the agreement during the financial year amounted to £6,191. There is no associated deposit back arrangement and no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.
- (l) In addition to the agreements listed above, the Company has a number of agreements under which small amounts of Canadian business are ceded and accepted automatically within limits. The reinsurers concerned are listed below.

Aetna Life Insurance Company of Canada  
Canada Life Assurance Company \*  
Canadian Life and Health Insurance Compensation Corporation  
Crown Life Assurance Company \*  
Empire Life Insurance Company  
Gerling Global Life Insurance Company  
Great West Life Assurance Company  
Imperial Life Assurance Company of Canada  
Life Reassurance Corporation of America  
Lincoln National Life Insurance Company  
London Life Insurance Company  
Manufacturers Life Insurance Company  
Maritime Life Assurance Company  
Mercantile and General Life Reassurance Company of Canada  
Munich Reinsurance Company

## THE STANDARD LIFE ASSURANCE COMPANY

### SCHEDULE 4 - Continued

National Life Assurance Company of Canada  
North American Life Assurance Company  
RGA Life Assurance Company of Canada  
St Lawrence Reassurance Company  
Swiss Reinsurance Company

All the above listed reinsurers are unauthorised to carry on insurance business in the United Kingdom with the exception of those marked \*. The Company has no connection with any of the above listed reinsurers. The premiums payable during the financial year under these agreements amounted to £1,072,639. The total amount deposited at the valuation date in respect of these treaties was £5,181,000. There is no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. All the agreements are closed to new business.

- (1) An agreement with Kölnische Rückversicherungs-Gesellschaft AG, a company not authorised to carry on insurance business in the United Kingdom and not connected with the Company. Under this agreement fifty percent of the sum at risk on death and of disability benefits are ceded and accepted automatically within limits. One hundred percent of the sum at risk on death and disability benefits in excess of these limits are ceded and accepted automatically. The premiums payable during the financial year amounted to £153,028. There is no deposit back arrangement and no liability to refund amounts of reinsurance commission in the event of lapse or surrender of the contracts concerned. The agreement is open to new business.
- (3) The total undischarged obligation of the Company at the valuation date was £14,550. This would be discharged if the original contracts were lapsed by the policyholders during an initial period. No specific reserves were held to cover this potential obligation.

13.

No policyholder of the Company has the right to participate in the profits of any particular part of the long term business fund.

14.

- (1) The principles upon which the distribution of profits is made are determined by the constitution of the Company as defined in The Standard Life Assurance Company Act 1991. The Directors are entitled to make such resolutions as they consider appropriate for the purpose of allocating the divisible profits among the participating policyholders or any class of such holders and that either equally or otherwise, and also of allowing any person or class of persons who have effected or shall effect

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

contracts or who have transacted or shall transact other business with the Company to participate in such divisible profits. All references in any policy or advertisement issued by the Company to the principles upon which the distribution of profits may be made are consistent with those stated in the Act.

- (2) Subject to the need to set aside the minimum amounts necessary to maintain its financial strength at the appropriate level, it is the policy of the Company to distribute all its earnings in an equitable manner, taking into account the relevant experience of different homogeneous groups of participating policies. The Company declares reversionary bonuses, or their equivalents in the form of bonus growth rates, at the highest levels it believes consistent with prudence and its wish to retain a high degree of investment freedom. When a claim arises from a policy, whether by maturity, surrender or death, a terminal bonus may be payable to supplement the claim amount to an equitable level. The payment of terminal bonus is at the discretion of the Company and may be withdrawn at any time. Rates of terminal bonus are reviewed at least once a year and, subject to maintaining equity, declarations are aimed to avoid very large fluctuations in claim values between different generations of policy classes.
- (3) Within each bonus series scales of bonus are determined by reference to asset shares of model policies. These asset shares reflect the experienced investment returns, expense levels and mortality rates, with allowances for guarantees provided under the policies, for profits from other lines of business and for smoothing.
- (4) The same principles and policies apply to all categories of with-profits policies issued by the Company.

15.

The rates of bonuses allocated to each category of contract, the basis of calculation and the form in which the bonus is payable are described below.

### (i) Individual Contracts - Reversionary Bonuses

The following bonuses have been declared for the year ended 15 November 1996 in respect of United Kingdom and Republic of Ireland contracts in force as at 1 February 1997, and for the contract years ending on the contract anniversaries immediately following 1 April 1997 in respect of Canadian contracts in force on those anniversaries.

**THE STANDARD LIFE ASSURANCE COMPANY**

**SCHEDULE 4 - Continued**

		Rate of reversionary bonus per cent per annum calculated on:	
Bonus Plan	Country of Issue	Sum Assured or Annuity per annum	Attaching reversionary bonuses
Ordinary Series	United Kingdom	3.25	4.50
	Republic of Ireland	3.25	4.50
Premier Series	Canada	3.20	3.20
Full Reversionary Series	Canada	2.70	4.40
Modified Bonus Series	Canada	1.80	2.90
Canadian Series	Canada	1.80	1.80
Participator Series	Canada	2.40	6.50
Pure Endowment and Deferred Annuity Pension Contracts	United Kingdom	4.25	4.25
	Republic of Ireland	4.25	4.25

For reduced paid-up contracts the rate of bonus on attaching reversionary bonus is normally the corresponding rate of bonus on sum assured.

**(ii) Individual Contracts - Bonus Growth Rates**

For Versatile Investment Plan and Variable Protection Plan contracts issued on a with-profits basis in the United Kingdom a bonus growth rate of 3.0% per annum has been declared until further notice. For similar Homeplan contracts issued in the United Kingdom a bonus growth rate of 6.0% per annum has been declared until further notice.

For Personal Pension Plan and Castle Pension Series contracts issued on a with-profits basis in the United Kingdom a bonus growth rate of 3.5% per annum has been declared until further notice. For similar contracts in the Republic of Ireland a bonus growth rate of 3.5% per annum has been declared.

For Flexible Life Plan, Capital Savings Plan and Mortgage Plan contracts issued on a with-profits basis in the Republic of Ireland a bonus growth rate of 6.0% per annum has been declared until further notice.

For Airbag and Swing contracts issued on a with-profits basis in Germany a bonus growth rate of 4.0% per annum has been declared until further notice.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

(iii) Individual Contracts - Premium Rebates

A premium rebate on the disability premium payable under the Airbag contract issued in Germany was declared which was determined individually for each contract. The rebate is effective for the first policy year commencing after 1 February 1997.

(iv) Group Contracts - Reversionary Bonuses

In respect of group pension contracts issued in the United Kingdom under the reversionary bonus series, bonuses have been declared for the year ending on the contract anniversary immediately following 1 March 1997 at the rate of 2.25% per annum calculated on the accrued benefits including attaching reversionary bonuses.

(iv) Group Contracts - Cash Bonuses

In respect of participating group pension contracts issued in Canada since 1971 and in force on the policy anniversary immediately following 15 November 1996, cash bonuses will be paid. These will be calculated as 3% of the accumulation fund held on the policy anniversary under active plans and 1.5% of the accumulation fund for inactive plans.

(v) Group Contracts - Bonus Growth Rates

For Trustee Investment Plan contracts and Group Money Purchase contracts issued on a with-profits basis in the United Kingdom a bonus growth rate of 3.5% per annum has been declared until further notice.

For Group Money Purchase contracts issued on a with-profits basis in the Republic of Ireland a bonus growth rate of 3.5% per annum has been declared until further notice.

Reversionary bonuses declared in respect of contracts issued in the United Kingdom and Republic of Ireland vest as provided in the declaration, this year on 1 February 1997. Reversionary bonuses declared in respect of contracts issued in Canada vest this year on the first contract anniversary after 1 April 1997. The bonus growth rates for contracts issued on a unitised with-profits basis vest daily.

# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 4 - Continued

16.

The Company has announced the following bonus payments, in addition to those for which it has become contractually liable, to be made on claims arising in the period to the next investigation. The rates of bonus are not guaranteed and may be adjusted or withdrawn at any time according to conditions.

- (1) Interim bonuses are paid on claims under with-profits individual and group contracts, other than those issued on a unitised with-profits basis. The current rates of interim bonus are the same as the bonus rates last declared except in the following cases.

Bonus Plan	Country of Issue	Rate of interim bonus per cent per annum calculated on:	
		Sum Assured or Annuity per annum	Attaching reversionary bonus
Ordinary Series	United Kingdom	3.00	4.25
Pure Endowment and Deferred Annuity Pension Contracts	United Kingdom	4.00	4.00
Group Pension Contracts	United Kingdom	1.75	1.75

- (2) In addition to the above bonuses, the following bonuses have been declared dependent on the duration of the contract in force at the date of claim:

(i) **Individual Contracts - Terminal Bonuses**

Terminal bonuses have been declared as payable until further notice in respect of contracts issued under the individual reversionary bonus series in the United Kingdom and Republic of Ireland becoming claims by death or maturity on or after 1 February 1997, and in respect of contracts issued under all reversionary bonus series in Canada becoming claims by death or maturity on or after their contract anniversaries first following 1 April 1997. These bonuses are subject to all premiums due in terms of the original contracts having been paid and the table shows specimen rates of bonus per cent of the sum assured and attaching reversionary bonus at the date of claim.

**THE STANDARD LIFE ASSURANCE COMPANY**

**SCHEDULE 4 - Continued**

Number of complete years in force	Rate of Bonus per cent		
	United Kingdom	Republic of Ireland	Canada
5	0.00	0.00	
10	17.00	20.00	1.60
15	42.00	46.00	9.70
20	80.00	93.00	29.20
25	142.00	170.00	42.10
30	168.00	225.00	50.20
35	235.00	285.00	56.70
40 and over	275.00	320.00	56.70

Terminal bonuses have been declared as payable until further notice in respect of United Kingdom Homeplan, Versatile Investment Plan and Variable Protection Plan contracts issued on a unitised with-profits basis which become claims on or after 1 February 1997 according to the table below.

Duration of contract in With-Profits Fund	Terminal bonus as percentage of bid value of units at cancellation
5 years or less	0
10 years	20
14 years or more	32

Terminal bonuses have been declared as payable until further notice in respect of with-profits pure endowment and deferred annuity pension contracts, other than those issued on a unitised with-profits basis, vesting on or after 1 February 1997. These bonuses are subject to all premiums due in terms of the original contracts having been paid, and the following table shows specimen rates of bonus per cent of the basic benefit plus attaching reversionary bonus at the date of claim for Personal Pension Plans.



**THE STANDARD LIFE ASSURANCE COMPANY**

**SCHEDULE 4 - Continued**

		Rate of Bonus per cent		
	Number of complete years in force	Self-employed Yearly premium contracts	Executive Pension Plans Yearly premium contracts	Single premium contracts
<b>United Kingdom</b>	5	0.00	0.00	10.00
	10	12.00	15.00	30.00
	15	23.00	26.00	52.00
	20	56.00	59.00	97.00
	25 and over	97.00	100.00	140.00
<b>Republic of Ireland</b>	5	0.00	0.00	0.00
	10	7.00	10.00	23.00
	15	23.00	26.00	66.00
	21 and over	65.00	68.00	106.00

The bonuses declared in respect of monthly premium contracts are identical to those for yearly premium contracts.

**(ii) Group Contracts - Terminal Bonuses**

Terminal bonuses have been declared as payable until further notice under group pension contracts issued in the United Kingdom under the reversionary bonus series in respect of members who retire after 1 March 1997. These bonuses are expressed as a percentage of the basic benefit plus attaching reversionary bonus at vesting according to the table below.

Number of complete years of scheme service	Percentage rate of bonus
5	0.00
10	12.00
15	22.00
17 years or more	26.00

- (3) The following bonuses have been declared where the rates of bonus declared depend on the date of each previous premium payment.

**(i) Individual and group contracts - terminal bonuses**

Terminal bonuses have been declared as payable until further notice in respect of United Kingdom with-profits Personal Pension Plan and Castle Pension Series contracts issued on a

**THE STANDARD LIFE ASSURANCE COMPANY**

**SCHEDULE 4 - Continued**

unitised with-profits basis which become claims on or after 1 February 1997. These bonuses are expressed as percentages of the growth in value of the units cancelled according to the table below.

<b>Units purchased in year ending 15 November</b>	<b>Pension With-Profits Fund Percentage rate of bonus</b>	<b>Pension Inflation Plus Fund Percentage rate of bonus</b>
1996	0	0
1995	0	30
1994	20	60
1993	20	100
1992	25	105
1991	25	105
1986	65	120
1983	80	125

No units were allocated in years prior to the year ending 15 November 1983.

For similar contracts in the Republic of Ireland the rates of bonus declared are tabulated below.

<b>Units purchased in year ending 15 November</b>	<b>Irish Pension With-Profits Fund Percentage rate of bonus</b>
1996	0
1995	25
1994	25
1993	25
1992	25
1991	25
1986	45
1984	45

No units were allocated in years prior to that ending 15 November 1984.

19.

(1) Not applicable

(2)-(4) This information is provided in the "Additional statement on derivative contracts".

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 4 - Continued

21.

A deduction from the yields on fixed interest securities was made to allow for the risk of default. This deduction took into account the credit rating of the issuer and historical rates of default as derived from investigations carried out by credit rating agencies.

The yields on mortgages were reduced to allow for the expected rates of default (on both interest and capital).

The running yields on property were reduced by 0.5% to allow for the risk of default.

The running yields on equities were reduced for companies for which they were considered to be unsustainable.

## Long term business : Summary of changes in ordinary long term business

Name of company **The Standard Life Assurance Company**

Global business

United Kingdom business

Non-linked

Financial year ended **15th November 1996**

		Company registration number		GL/UK/CM		Period ended			Units	UK/OS	NL/LN
						day	month	year			
		R46	Z4	GL	15	11	1996	£000	UK	NL	
		Life assurance and general annuity		Pensions business		Permanent health		Other business			
		No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums		
		1	2	3	4	5	6	7	8		
In force at beginning of year	11	3887252	1022916	1497789	281599						
New business and increases	12	104048	39251	140856	36483						
Net transfers and other alterations 'on'	13				4367						
Total 'on' (12+13)	19	104048	39251	140856	40850						
Deaths	21	10783	2856	3708	540						
Other insured events	22	34	25								
Maturities	23	36494	5531	7992	1275						
Surrenders	24	51714	18473	28187	4423						
Forfeitures	25	15125	2742	7	6						
Conversions to paid-up policies for reduced benefits	26		5805		30054						
Net transfers, expiries and other alterations 'off'	27	60375	12486	4631							
Total 'off' (21 to 27)	29	174525	47918	44525	36298						
In force at end of year (11+19-29)	39	3816775	1014249	1594120	286151						

**Long term business : Summary of changes in ordinary long term business**Name of company **The Standard Life Assurance Company**

Global business

United Kingdom business

Linked

Financial year ended **15th November 1996**

		Company registration number		GL/UK/CM		Period ended			Units	UK/OS	NL/LN
						day	month	year			
		R46	Z4	GL	15	11	1996	£000			
		Life assurance and general annuity		Pensions business		Permanent health		Other business			
		No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums		
		1	2	3	4	5	6	7	8		
In force at beginning of year	11	362028	88264	703645	138524	3333	679				
New business and increases	12	52213	23038	112370	48004	2332	484				
Net transfers and other alterations 'on'	13	7512		4513	7953	10					
Total 'on' (12+13)	19	59725	23038	116883	55957	2342	484				
Deaths	21	2309	135	1119	196						
Other insured events	22	17	13								
Maturities	23	1289	3	3567	258						
Surrenders	24	21283	2535	12543	1778						
Forfeitures	25	1952	1216	36	32	514	94				
Conversions to paid-up policies for reduced benefits	26		2794		18747						
Net transfers, expiries and other alterations 'off'	27		205				1				
Total 'off' (21 to 27)	29	26850	6901	17265	21011	514	95				
In force at end of year (11+19-29)	39	394903	104401	803263	173470	5161	1068				

## Long term business : Summary of changes in ordinary long term business

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Non-linked

Financial year ended **15th November 1996**

		Company registration number		GL/UK/CM		Period ended			Units		UK/OS		NL/LN				
		R46		Z4		GL		15	11	1996		£000		OS		NL	
		Life assurance and general annuity		Pensions business		Permanent health		Other business									
		No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums						
		1	2	3	4	5	6	7	8								
In force at beginning of year		11	560770	88362			507	163									
New business and increases		12	34775	14124			4384	708									
Net transfers and other alterations 'on'		13	2861	853													
Total 'on' (12+13)		19	37636	14977			4384	708									
Deaths		21	2497	319													
Other insured events		22															
Maturities		23	4563	619													
Surrenders		24	20228	1953			4	1									
Forfeitures		25	12033	1471													
Conversions to paid-up policies for reduced benefits		26		1016													
Net transfers, expiries and other alterations 'off'		27					34	12									
Total 'off' (21 to 27)		29	39321	5378			38	13									
In force at end of year (11+19-29)		39	559085	97961			4853	858									

Financial year ended **15th November 1996**

		Company registration number		GL/UK/CM	Period ended			Units	UK/OS	NL/LN	
		R46	Z4		GL	day month year					
						15	11				1996
		Life assurance and general annuity		Pensions business		Permanent health		Other business			
		No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums	No of contracts	Annual premiums		
		1	2	3	4	5	6	7	8		
In force at beginning of year	11	39311	8207								
New business and increases	12	7858	930								
Net transfers and other alterations 'on'	13										
Total 'on' (12+13)	19	7858	930								
Deaths	21	143	10								
Other insured events	22										
Maturities	23	166	3								
Surrenders	24	2721	197								
Forfeitures	25	163	40								
Conversions to paid-up policies for reduced benefits	26		237								
Net transfers, expiries and other alterations 'off'	27	115	95								
Total 'off' (21 to 27)	29	3308	582								
In force at end of year (11+19-29)	39	43861	8555								









**Name of company**  
**The Standard Life Assurance Company**

**The Standard Life Assurance Company**

**15th November 1996**

[illegible]













## Long term business : Analysis of new ordinary long term business

Name of company      **The Standard Life Assurance Company**

Global business

Linked

Financial year ended      **15th November 1996**

Linked	Financial year ended	15th November 1996	Company registration number	Period ended			Units	NL/LN		
				GL/UK/CM						
				day	month	year				
			R47	Z4	GL	15	11	1996	£000	LN
Type of insurance			Single premium contracts			Regular premium contracts				
			No of contracts	Premiums	Sums assured, annuities per annum or other measures of benefit	No of contracts	Annual premiums	Sums assured, annuities per annum or other measures of benefit		
1	2	3	4	5	6	7				
UNITED KINGDOM										
DSS Contributions	11247	53438								
Personal Pension Plan & Castle Pension Series	21971	180933	153879	77467	48004	54007				
PPP & Castle Pension Series (additional premiums)		23810								
Flexible Pension Plan	336	85998								
Phased Retirement Plan	35	8414								
Group money purchase plan		31456	20329	672	13718	13580				
Group Trustee Investment Plan	85	27932		2	2213					
Sub total: Other Linked Contracts	33674	411981	174208	78141	63935	67587				
Total: Pension Business	86831	1339430	338509 (60603 pa)	167886	123139	245624 (2228 pa)				
Total: UK Direct Written Business	105961	1667621	525305 (81711 pa)	307351	186048	2988120 (2228 pa)				





**Long term business : Analysis of new ordinary long term business**Name of company **The Standard Life Assurance Company**

Global business

Non-linked

Financial year ended **15th November 1996**

Company registration number	GL/UK/CM	Period ended			Units	NL/NL
		day	month	year		
<b>R47</b>	<b>Z4</b>	<b>GL</b>	<b>15</b>	<b>11</b>	<b>1996</b>	<b>NL</b>

Type of insurance	Single premium contracts			Regular premium contracts			
	No of contracts	Premiums	Sums assured, annuities per annum or other measures of benefit	No of contracts	Annual premiums	Sums assured, annuities per annum or other measures of benefit	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	
<b>IRELAND</b>							
Capital Savings Plan				831	710		
Flexible Life Plan				177	132	10632	
Mortgage Plan				24	39	1098	
Personal & Executive Pension Plans	1106	5905	13595	2845	5789	5131	
PPP & EPP (additional premiums)		1459					
Group money purchase plan		513	1845	19	550	885	
<b>GERMANY</b>							
Airbag				4324	4040	170527	
Swing				30	47	1184	
<b>Sub total: Accumulating With-Profits Policies</b>	<b>1106</b>	<b>7877</b>	<b>15440</b>	<b>8250</b>	<b>11307</b>	<b>189457</b>	





## Long term business : Analysis of new ordinary long term business

Name of company **The Standard Life Assurance Company**

Global business

Non-linked

Financial year ended **15th November 1996**

Non-linked		Financial year ended	15th November 1996	Company registration number		Period ended			Units		NL/LN
				GL/UK/CM	day	month	year	£000			
				R47	Z4	GL	15	11	1996	£000	NL
Type of insurance				Single premium contracts			Regular premium contracts				
				No of contracts	Premiums	Sums assured, annuities per annum or other measures of benefit	No of contracts	Annual premiums	Sums assured, annuities per annum or other measures of benefit		
1		2	3	4	5	6	7				
IRELAND											
Endowment assurance					1105	1063	14871				
Whole life assurance					74	10	173				
Group assurances					8	507	60332				
Group pension						4					
Group death-in-service pension					5	281	(1923 pa)				
CANADA											
Whole life assurance			477		2533	889	28560				
Idealife		5	69	2133							
Term assurance					3807	70	20877				
Sub total: Non-Linked With-Profits Policies		5	546	2133	7532	2824	124813 (1923 pa)				













**Long term business : Expected income from admissible assets not held to match liabilities in respect of linked benefits**Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**Category of assets **Total long term business assets**

		Company registration number	GL/UK/CM	Period ended			Units	Category of assets	
				day	month	year			
		R48	Z4	GL	15	11	1996	£000	10
Type of asset			Value of admissible assets as shown on Form 13 1		Expected income from admissible assets 2		Yield %  3		
Land and buildings			11	3337494		210827		6.32	
Fixed interest securities	Approved securities		12	9149320		699664		7.29	
	Other		13	3393542		287002		8.50	
Variable yield securities (excluding items shown at line 16)	Approved securities		14	54061		1606		3.54	
	Other		15	40701		437		1.07	
Equity shares and holdings in collective investment schemes			16	17976905		603960		3.36	
Loans secured by mortgages			17	2189028		198862		9.08	
All other assets	Producing income		18	1375039		51132		3.72	
	Not producing income		19	689196					
Total (11 to 19)			29	38205286		2053490		5.29	

## Long term business : Analysis of admissible fixed interest and variable yield securities not held to match liabilities in respect of linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**Category of assets **Total long term business assets**

Financial year ended		15th November 1996		Company registration number		GL/JUK/CM		Period ended			Units		Category of assets	
Category of assets		Total long term business assets						day month year						

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended 15th November 1996

Type of business	Life Assurance & General Annuity Business										Category of surplus		
Category of surplus	Ordinary Long Term Business Fund										Type of business	UK/OS	Amount of mathematical reserves
	Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses			
		Rate of interest	Mortality or morbidity table			Office premiums	Net premiums	Office premiums	Net premiums				
1	2	3	4	5	6	7	8	9	10	11	12		
DIRECT WRITTEN BUSINESS													
WITH PROFIT CONTRACTS													
INDIVIDUAL													
Whole life assurance	3.50%	AM80	16765	214471	4029	2400	0.405	112739	50047	27570	85169		
Endowment Assurance	3.50%	AM80	1568867	16570166	617644	409412	0.337	11170246	5624639	3619139	7551107		
Miscellaneous													
- Extra premium					2083			2083			2083		
- Other	3.50%	AM80	1839	5037	130	82	0.374	4015	447	274	3741		
GROUP													
Miscellaneous assurance			6	67474 (3 pa)	175			183			183		
Deferred annuity													
- Premium paying contracts	4.00%	Basis 1	1	(71 pa)	18			569			569		

**Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)**Name of company *The Standard Life Assurance Company**Global business**United Kingdom business*Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Company  
registration  
numberPeriod ended  
day month yearUKOS  
Type of  
businessCategory  
of surplus**Ordinary Long Term Business Fund**

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		UK	L&GA	11
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums				Office premiums	Net premiums			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>			
- Paid up contracts	4.00%	Basis 1	1	(1 pa)				12			12			12
- Adjustment to cost date liability								2			2			2
Deferred annuity														
- Premium paying contracts	6.75%	Basis 1	2	(287 pa)	62			1243			1243			1243
- Paid up contracts	6.75%	Basis 1	14	(28 pa)				516			516			516
- Adjustment to cost date liability								178			178			178
Deferred reversionary annuity														
- Premium paying contracts	6.75%	Basis 1	2	(156 pa)	10			185			185			185
- Adjustment to cost date liability								21			21			21
Miscellaneous deferred annuity								4			4			4
Annuity in payment	6.75%	Basis 1	2	(30 pa)	1			127			127			127
<b>Sub total: With Profit contracts</b>			<b>1587499</b>	<b>16857148 (615 pa)</b>	<b>624152</b>	<b>411894</b>		<b>11292123</b>	<b>5675133</b>	<b>3646983</b>	<b>7645140</b>			



Name of company	Address	City	State	Zip	Phone	Telex	Fax	Internet
The Standard Life Assurance Company								

United Kingdom business

15th November 1996

## Life Assurance & General Annuity Business

## Ordinary Long Term Business Fund

Category of surplus		Ordinary Long Term Business Fund										Category of surplus			
Type of insurance or name of contract		Valuation basis		No of contracts	R51	Z4-	GL	15	11	1996	£000	Value of annual premiums		L&GA	11
		Rate of Interest	Mortality or morbidity table									Office premiums	Net premiums		
1		2	3	4	5	6	7	8	9	10	11	12			
DIRECT WRITTEN BUSINESS															
NON PROFIT CONTRACTS															
INDIVIDUAL															
Whole life assurance	5.00%	AM80	13300	47393	638	432	0.319	19569	7438	4831	14738				
Guaranteed Growth Bond	5.00%	AM80	239	3467				2872			2872				
Endowment assurance	5.00%	AM80	3882	14190	361	301	0.165	13430	956	794	12636				
Increasable term assurance	5.00%	AM80	3113	181303	961	533	0.446	3429	2082	1174	2255				
Miscellaneous					1034			1034			1034				
- Extra premium															
- Other	5.00%	AM80	1608098	19651815	69761	47390	0.324	678673	640831	434180	244493				
Deferred annuity	6.75%	Basis 2	611	(1888 pa)	13	12	0.050	2576	39	37	2539				
Temporary annuity in payment	6.75%	Basis 2	84504	(178899 pa)				559066			559066				

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company*  
*Global business*  
 United Kingdom business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Category of surplus **Ordinary Long Term Business Fund**

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Company registration number		GL/UK/CM		Period ended		Units	UK/OS	Type of business		Category of surplus
	Rate of interest	Mortality or morbidity table			R51	Z4	GrL	15	11	1996	£000	UK	Value of annual premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Annuity in payment	6.75%	Basis 2	15675	(47838 pa)							339547				339547
GROUP															
Miscellaneous assurance			3	143989 (179 pa)	302			1886			1886				1886
Deferred annuity				(1 pa)				4			4				4
-Premium paying contracts	6.75%	Basis 1		(56 pa)				409			409				409
-Paid up contracts	6.75%	Basis 1	20					9			9				9
-Adjustment to cost date liability															
Deferred reversionary annuity															
-Premium paying contracts	6.75%	Basis 1		(1 pa)											
-Paid up contracts	6.75%	Basis 1	2	(40 pa)				42			42				42
Annuity in payment	6.75%	Basis 1	124	(330 pa)				2163			2163				2163
Sub total: Non Profit contracts			1729571	20042157 (229232 pa)	73070	48668		1624709	651346		441016				1183693

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended 15th November 1996

Type of business Life Assurance &amp; General Annuity Business

Category of surplus Ordinary Long Term Business Fund

Type of business	Life Assurance & General Annuity Business										Company registration number	GL/UK/CM		Period ended			Units	UKOS	Type of business	Category of surplus
Category of surplus	Ordinary Long Term Business Fund										R51	Z4	GL	15	11	1996	£000	UK	L&GA	11
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves									
	Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums										
1	2	3	4	5	6	7	8	9	10	11	12									
Sub total: Direct Written Business			3317070	36899305 (229847 pa)	697222	460562		12916832	6326479	4087999	8828833									



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *Three Star General Life Assurance Company*

GIC Local business

United Kingdom business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Company  
registration  
numberPeriod ended  
day month year

Units

UK/OS

Type of  
businessCategory  
of surplus

Ordinary Long Term Business Fund																					
Category of surplus		R51		Z4		GL		15		11		1996		£000		UK		L&GA		Amount of mathematical reserves	
Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves								
		Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums	Office premiums reserved for expenses and profits	Office premiums		Net premiums										
1		2	3	4	5	6	7	8	9	10	11	12									
REASSURANCE ACCEPTED																					
NON PROFIT CONTRACTS																					
INDIVIDUAL																					
Whole life assurance		5.00%	AM80	11	31				25			25									
Miscellaneous																					
- Other		5.00%	AM80	8	670	1	1		4	3	2	2									
Sub total: Non Profit contracts				19	701	1	1		29	3	2	27									
Sub total: Reassurance Accepted				61	2195	10	5		1012	132	63	949									





## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

United Kingdom business

Financial year ended **15th November 1996**

Type of business		Life Assurance & General Annuity Business				Company registration number		GL/UK/CM		Period ended			Units		UKOS		Type of business		Category of surplus						
Category of surplus		Ordinary Long Term Business Fund				R51		Z4		GL		15		11		1996		£000		UK		L&GA		11	
Type of insurance or name of contract		Valuation basis		No of contracts		Amount of sums assured or annuities per annum, including vested reversionary bonuses		Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses		Value of annual premiums		Office premiums		Net premiums		Amount of mathematical reserves					
		Rate of interest	Mortality or morbidity table																						
1		2	3	4	5	6	7	8	9	10	11	12													
Miscellaneous assurance																									
Sub total: Non Profit contracts					1636431 (19 pa)	5933	4322		50802	47524	38015	12787													
Sub total: Reassurance Ceded					1659487 (19 pa)	6879	4944		66124	53925	42462	23662													
Net total: Life Assurance & General Annuity Business				3317131	35242013 (223828 pa)	690353	455623		12851720	6272686	4045600	8806120													



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

United Kingdom business

Financial year ended **15th November 1996**Type of business **Pension Business**Category of surplus **Ordinary Long Term Business Fund**Company  
registration  
numberPeriod ended  
day month year

GL/UK/CM

Units

UKOS

Type of  
businessCategory  
of surplus

Ordinary Long Term Business Fund																	Category of surplus	Business	Cr surplus
Type of insurance or name of contract	Valuation basis		No of contracts	R51	Z4-	GL	15	11	1996	£000	UK		Pens	11	Amount of mathematical reserves				
	Rate of Interest	Mortality or morbidity table									Value of annual premiums								
											Office premiums	Net premiums							
1	2	3	4	5	6	7	8	9	10	11	12								
DIRECT WRITTEN BUSINESS																			
WITH PROFIT CONTRACTS																			
INDIVIDUAL																			
Endowment Assurance	4.00%	AM80	4025	7066	120	101	0.155	5824	832	696	5128								
Pure Endowment	4.00%	AM80	34882	1275388	7368	5505	0.253	526801	71404	54681	472120								
Deferred annuity	4.00/6.75%	Basis 3	4125	(12460 pa)	376	263	0.300	64735	3517	2462	62273								
GROUP																			
Miscellaneous assurance			325	1657736	4571			9571			9571								
Deferred annuity																			
- Premium paying contracts	4.00%	Basis 1	133	(13444 pa)	4887			74661			74661								
- Paid up contracts	4.00%	Basis 1	181	(2568 pa)				15210			15210								
- Adjustment to cost date liability								1885			1885								

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended

15th November 1996

Type of business

Pension Business

Category of surplus

Ordinary Long Term Business Fund

Type of business	Pension Business		Company registration number										GL/UK/CM		Period ended			Units		UKOS		Type of business	Category of surplus
Category of surplus	Ordinary Long Term Business Fund										R51	Z4	G	L	15	11	1996	£000	UK	Pens	11	Amount of mathematical reserves	
	Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Office premiums	Net premiums								
1	2	3	4	5	6	7	8	9	10	11	12												
Deferred annuity																							
- Premium paying contracts	6.75%	Basis 1	231	(81300 pa)	23000						340331									340331			
- Paid up contracts	6.75%	Basis 1	383	(17796 pa)							68936									68936			
- Adjustment to cost date liability											34666									34666			
Deferred reversionary annuity																							
- Premium paying contracts	4.00%	Basis 1	1	(72 pa)							427									427			
- Paid up contracts	4.00%	Basis 1	18	(59 pa)							142									142			
- Adjustment to cost date liability											11									11			
Deferred reversionary annuity																							
- Premium paying contracts	6.75%	Basis 1	219	(48054 pa)	2842						46820									46820			
- Paid up contracts	6.75%	Basis 1	269	(8641 pa)							6787									6787			
- Adjustment to cost date liability											3901									3901			

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended

15th November 1996

Type of business

Pension Business

Category of surplus

Ordinary Long Term Business Fund

Company  
registration  
number

R51 24

GL/UK/CM

GL

Period ended  
day month year

15 11 1996

Units

£000

UK/OS

UK

Type of  
business

Pens

Category  
of surplus

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
Miscellaneous deferred annuity			225	(95434 pa)	2631			7856			7856
Temporary annuity in payment	6.75%	Basis 1		(82 pa)				137			137
Annuity in payment	6.75%	Basis 1		(42349 pa)				320809			320809
Sub total: With Profit contracts			45017	2940190 (322259 pa)	45795	5869		1529510	75753	57839	1471671

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended 15th November 1996

Type of business Pension Business

Category of surplus Ordinary Long Term Business Fund

Type of business	Pension Business										UK/OS		Type of business	Category of surplus	
Category of surplus	Ordinary Long Term Business Fund										Units		UK	Pens	11
	Company registration number		GL/UK/CM		Period ended		Units	Value of sums assured or annuities per annum, including vested reversionary bonuses	Proportion of office premiums reserved for expenses and profits	Value of annual premiums	Amount of mathematical reserves				
	R51	Z4	GL	15	11	1996									
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Office premiums	Net premiums	Amount of mathematical reserves	
1	Rate of interest	Mortality or morbidity table	4	5	6	7	8	9	10	11	12				
DIRECT WRITTEN BUSINESS															
NON PROFIT CONTRACTS															
INDIVIDUAL															
Miscellaneous															
- Extra premium															
- Other															
Deferred annuity															
Temporary annuity in payment															
Annuity in payment															
GROUP															
Miscellaneous assurance															
Deferred annuity															
	6.25%	AM80	122408	1705045	192	7636	4822	94880	56033	0.340	192		42632	52248	
	6.75%	Basis 2	658	(2755 pa)		12	11	2852	59	0.074	2798		54	2798	
	6.75%	Basis 3	1196	(3358 pa)				7500			7500			7500	
	6.75%	Basis 3	117433	(270724 pa)				2516028			2516028			2516028	
			950	1441633	4214			4214			4214			4214	

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

United Kingdom business

Financial year ended **15th November 1996**Type of business **Pension Business**Category of surplus **Ordinary Long Term Business Fund**Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Type of  
businessCategory  
of surplus

Ordinary Long Term Business Fund																					
Category of surplus		R51		Z4		GL		15		11		1996		£000		UK		Pens		Amount of mathematical reserves	
Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves									
		Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums										
1		2	3	4	5	6	7	8	9	10	11	12									
-Premium paying contracts		6.75%	Basis 1	1	(1464 pa)				6395			6395									
-Paid up contracts		6.75%	Basis 1	740	(64279 pa)				222810			222810									
-Adjustment to cost date liability									9			9									
Deferred reversionary annuity																					
-Premium paying contracts		6.75%	Basis 1		(613 pa)				662			662									
-Paid up contracts		6.75%	Basis 1	615	(31502 pa)				72388			72388									
Miscellaneous deferred annuity				253	(52868 pa)	1407			26817			26817									
Temporary annuity in payment		6.75%	Basis 1		(396 pa)				1434			1434									
Annuity in payment		6.75%	Basis 1	628	(118876 pa)				848624			848624									
Sub total: Non Profit contracts				244882	3146678 (546835 pa)	13461	4833		3804805	56092	42686	3762119									
Sub total: Direct Written Business				289899	6086868 (869094 pa)	59256	10702		5334315	131845	100525	5233790									

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global Business

United Kingdom business

Financial year ended

15th November 1996

Type of business

Pension Business

Category of surplus

Ordinary Long Term Business Fund

Type of business	Pension Business	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Type of business	Category of surplus	
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
REASSURANCE ACCEPTED											
NON PROFIT CONTRACTS											
GROUP											
Deferred annuity											
-Paid up contracts	6.75%	Basis 1	4	(16 pa)				132			132
Deferred reversionary annuity											
-Paid up contracts	6.75%	Basis 1	1	(8 pa)				26			26
Annuity in payment	6.75%	Basis 1	23	(1158 pa)				7744			7744
Sub total: Non Profit contracts			28	(1182 pa)				7902			7902
Sub total: Reassurance Accepted			28	(1182 pa)				7902			7902



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended 15th November 1996

Type of business Pension Business

Category of surplus Ordinary Long Term Business Fund

Type of business	Pension Business										Category of surplus				
Type of insurance or name of contract	Ordinary Long Term Business Fund										Category of surplus				
	Rate of interest	Valuation basis		No of contracts	R51	Z4	GL/UK/CM		Period ended			Units	UK/OS	Type of business	
		Mortality or morbidity table	Amount of annual premiums				day	month	year	UK				Pens	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
REASSURANCE CEDED															
NON PROFIT CONTRACTS															
INDIVIDUAL															
Miscellaneous															
- Extra premium															
- Other															
Deferred annuity															
Annuity in payment															
GROUP															
Miscellaneous assurance															
Temporary annuity in payment															
Annuity in payment															
	6.25%	AM80		3310	3	25	0.161	3	99	84	3				
	6.75%	Basis 3		(15 pa)				209			125				
	6.75%	Basis 3		(6 pa)				1			1				
								78			78				
	6.75%	Basis 1		1441633	4214			4214			4214				
	6.75%	Basis 1		(2 pa)				3			3				
				(50 pa)				210			210				



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company The Standard Life Assurance Company

Global Business

United Kingdom business

Financial year ended 15th November 1996

Type of business Pension Business

Category of surplus Ordinary Long Term Business Fund

Type of business	Pension Business	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Type of business	Category of surplus	
Category of surplus	Ordinary Long Term Business Fund	R51	Z4-	15	11	1996	£000	UK	Pens	11	
Type of insurance or name of contract	Valuation basis	No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves	
				Office premiums	Net premiums			Office premiums	Net premiums		
1	2	3	4	5	6	7	8	9	10	11	12
Sub total: Non Profit contracts				144943 (73 pa)	4242	21		4718	99	84	4634
Sub total: Reassurance Ceded				3108958 (73 pa)	8892	79		13973	494	368	13605
Net total: Pension Business		289927		2977910 (870203 pa)	50364	10623		5328244	131351	100157	5228087



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

United Kingdom business

Financial year ended **15th November 1996**Type of business **Permanent Health Insurance**Category of surplus **Ordinary Long Term Business Fund**

Type of business	Permanent Health Insurance										Company registration number	GL/UK/CM			Period ended			UK/OS	Type of business	Category of surplus
Category of surplus	Ordinary Long Term Business Fund										R51	Z4-	GL	15	11	1996	Units	UK	PHI	11
	Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums										
1	2	Rate of interest	Mortality or morbidity table			3	4			5	Office premiums	Net premiums	7	8	9	Office premiums	Net premiums	10	11	12
DIRECT WRITTEN BUSINESS																				
NON PROFIT CONTRACTS																				
GROUP																				
Long term disability																				
- Immediate benefits	4.00%		CDT(64)			(46 pa)										377		377		
Sub total: Non Profit contracts						(46 pa)										377		377		
Sub total: Direct Written Business					92	(71090 pa)			1189							14747		14747		

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company*

Global business

United Kingdom business

Financial year ended **15th November 1996**Type of business **Permanent Health Insurance**Category of surplus **Ordinary Long Term Business Fund**

Type of business	Permanent Health Insurance										Company registration number	GL/UK/CM			Period ended			UK/OS	Type of business	Category of surplus
Category of surplus	Ordinary Long Term Business Fund										R51	Z4	GL	15	11	1996	Units	UK	PHI	11
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves								
1	Rate of interest	Mortality or morbidity table	4	5	Office premiums	Net premiums	8	9	10	11	12									
REASSURANCE CEDED																				
WITH PROFIT CONTRACTS																				
GROUP																				
Long term disability																				
- Deferred benefits				(29261 pa)	539			539				539								
- Immediate benefits	4.00%	CDT(64)		(509 pa)				4033				4033								
Sub total: With Profit contracts				(29770 pa)	539			4572				4572								

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

United Kingdom business

Financial year ended **15th November 1996**Type of business **Permanent Health Insurance**Category of surplus **Ordinary Long Term Business Fund**Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

Type of  
businessCategory  
of surplus

Category of surplus		Ordinary Long Term Business Fund										business or surplus			
Type of insurance or name of contract		Valuation basis		No of contracts	R51	Z4	GL		11		1996	£000	UK	PHI	11
							Office premiums	Net premiums	Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses					
		Rate of interest	Mortality or morbidity table										Amount of annual premiums	Office premiums	
1	2	3	4	5	6	7	8	9	10	11	12				
REASSURANCE CEDED															
NON PROFIT CONTRACTS															
GROUP															
Long term disability															
- Immediate benefits	4.00%	CDT(64)		(22 pa)				181							181
Sub total: Non Profit contracts				(22 pa)				181							181
Sub total: Reassurance Ceded				(29792 pa)	539			4753							4753
Net total: Permanent Health Insurance			92	(41298 pa)	650			9994							9994
Net total: United Kingdom business			3607150	38219923 (1141329 pa)	741367	466246		18189958	6404037	4145757					14044201



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global Extra Plus 1000

Overseas business

Financial year ended

15th November 1996

Type of business

Life Assurance &amp; General Annuity Business

Company  
registration  
number

Period ended

day

month

year

GL/UK/CM

Units

UK/OS

Type of  
businessCategory  
of surplus

Category of surplus

Ordinary Long Term Business Fund

R51

224

GL

15

11

1996

£000

OS

L&amp;GA

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
Miscellaneous assurance			119	1452610	2165			2167			2167
Deferred annuity											
- Premium paying contracts	6.25%	Basis 5	7	(1398 pa)	277			4599			4599
- Paid up contracts	6.25%	Basis 5	7	(373 pa)				1110			1110
- Adjustment to cost date liability								1036			1036
Deferred reversionary annuity											
- Premium paying contracts	6.25%	Basis 5	4	(304 pa)	27			335			335
- Paid up contracts	6.25%	Basis 5	4	(191 pa)				12			12
- Adjustment to cost date liability								139			139
Miscellaneous deferred annuity			73	(49360 pa)	1004			1004			1004
Temporary annuity in payment	6.25%	Basis 5		(3 pa)				2			2
Annuity in payment	6.25%	Basis 5		(976 pa)				8897			8897

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended

15th November 1996

Type of business	Life Assurance & General Annuity Business										Company registration number	Period ended				Units	UK/OS	Type of business	Category of surplus		
Category of surplus	Ordinary Long Term Business Fund										R51	Z4	GL	CM	day	month	year	£000	OS	L&GA	11
	Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits												
1	2	3	4	5	6	7	8	9	10	11											
CANADA																					
INDIVIDUAL																					
Whole life assurance	3.50%	AM80	98374	910609	14032	6524	0.535	296093	195954	100095	195998										
Endowment Assurance	3.50%	AM80	7667	41670	539	265	0.509	22922	6368	2798	20124										
Pure Endowment	3.50%	AM80	462	5534	71	35	0.504	3779	574	269	3510										
Idealife			1058	56232				1225			1225										
Bermuda Term assurance	3.75%	AM80	1	112	3																
Miscellaneous																					
- Extra premium	3.50%	AM80	1599	17678	82	57	0.522	4890	2520	1235	82										
- Other																					
GROUP																					
Deferred annuity	6.25%	Basis 7	467	(6705 pa)				54873			54873										



Name of company	Company's description
The Standard Life Assurance Company	

## Overseas business

15th November 1996

**Life Assurance & General Annuity Business**

**Ordinary Long Term Business Fund**

Category of surplus		Ordinary Long Term Business Fund										Business		or surplus
		R51		Z4	GL		15	11	1996	£000	OS	L&GA		11
Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves		
		Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums			
1		2	3	4	5	6	7	8	9	10	11	12		
Sub total: With Profit contracts				145770	2962907 (61401 pa)	39729	21766		739698	365629	211745	527953		

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Stewart Life Assurance Company

Global business

Overseas business

Financial year ended 15th November 1996

Type of business	Life Assurance & General Annuity Business				Company registration number	Period ended			UK/OS		Type of business	Category of surplus	
Category of surplus	Ordinary Long Term Business Fund					R51	Z4	GL	day	month	year	Units	Amount of mathematical reserves
	Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		
		Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums				Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
DIRECT WRITTEN BUSINESS													
NON PROFIT CONTRACTS													
REPUBLIC OF IRELAND													
INDIVIDUAL													
Whole life assurance	5.00%	AM80		1826	10850	149	103	0.310	3889	1819	1226	2663	
Guaranteed Growth Bond	5.00%	AM80		97	2131				858			858	
Endowment assurance	5.00%	AM80		540	1930	71	61	0.150	2590	144	124	2466	
Increasing term assurance	5.00%	AM80		811	61676	359	167	0.535	1072	747	354	718	
Miscellaneous													
- Extra premium						31			31			31	
- Other	5.00%	AM80		26379	394290	1715	1015	0.408	11658	11539	6779	4879	
Deferred annuity	6.25%	Basis 4		126	(1241 pa)	6	6	0.750	176	34	32	144	

**Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)**Name of company *The Standard Life Assurance Company**Global business**Overseas business*Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Company  
registration  
numberPeriod ended  
day month yearCategory of surplus **Ordinary Long Term Business Fund**

R51

Z4

GL

CM

Units

£000

OS

L&amp;GA

Category  
of surplus

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
Temporary annuity in payment	6.25%	Basis 4	29	(78 pa)				313			313
Annuity in payment	6.25%	Basis 4	1892	(4422 pa)				38206			38206
GROUP											
Miscellaneous assurance			31	149275 (16 pa)	486			722			722
Deferred annuity				(5 pa)				855			855
-Premium paying contracts	6.25%	Basis 5		(5 pa)				2441			2441
-Paid up contracts	6.25%	Basis 5	12	(1344 pa)							
Deferred reversionary annuity											
-Paid up contracts	6.25%	Basis 5	5	(278 pa)				350			350
Miscellaneous deferred annuity			6	(905 pa)	21			21			21
Temporary annuity in payment	6.25%	Basis 5		(54 pa)				269			269
Annuity in payment	6.25%	Basis 5	27	(1512 pa)				15959			15959

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended 15th November 1996

Type of business	Life Assurance & General Annuity Business										Company registration number	GL/UK/CM		Period ended		Units	UK/OS	Type of business	Category of surplus	
Category of surplus	Ordinary Long Term Business Fund										R51	Z4	C3L	15	11	1996	£000	OS	L&GA	11
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves									
	Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums										
1	2	3	4	5	6	7	8	9	10	11	12									
CANADA																				
INDIVIDUAL																				
Whole life assurance	5.00%	AM80	23532	332030	3470	2975	0.143	103613	28471	23580	80033									
Endowment assurance	5.00%	AM80	46965	1263576	11357	8969	0.210	288431	117499	110769	177662									
Renewable term assurance	5.00%	AM80	34387	2153595	5698	3817	0.330	30691	22330	15922	14769									
Perspecta			869	37607				185			185									
Miscellaneous																				
- Extra premium					247			247			247									
- Other					4321	2637	0.390	74672	47026	31970	42702									
Deferred annuity	5.00%	AM80	120400	1080423				99369			99369									
Flexible premium deferred annuity	6.25%	Basis 6	2196	(21840 pa)				16312			16312									
Ideal Capital Accumulator			47754	(152532 pa)				521378			521378									

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended

15th November 1996

Type of business

Life Assurance &amp; General Annuity Business

Company  
registration  
number

Period ended

day

month

year

GL/UK/CM

Z4

R51

GL

15

11

1996

Units

£000

OS

L&amp;GA

11

Category of surplus

Ordinary Long Term Business Fund

R51

Z4

GL

15

11

1996

Units

£000

OS

L&amp;GA

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
Other Accumulation Contracts			7719					28882			28882
Temporary Annuity in payment	6.25%	Basis 6	36772	(100252 pa)				1291888			1291888
Annuity in payment	6.25%	Basis 6	28533	(69573 pa)				726532			726532
Bermuda Annuity in payment	6.25%	Basis 6	3	(357 pa)				6621			6621
Portfolio RRIF			109					2018			2018
Miscellaneous			111					3638			3638
GROUP											
Miscellaneous assurance			1820	4129989	10098			21055			21055
Deferred Annuity	6.25%	Basis 7	446	(27145 pa)				151742			151742
Annuity in payment	6.25%	Basis 7		(101820 pa)				974351			974351
Deposit Administration Plans			44					18390			18390
Triplans			2761					374234			374234

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

Overseas business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Category of surplus **Ordinary Long Term Business Fund**

Type of business	Life Assurance & General Annuity Business										Company registration number	GL/UK/CM				Period ended				Units	UK/OS	Type of business	Category of surplus
Category of surplus	Ordinary Long Term Business Fund										R51	Z4	GL		15	11	1996		£000	OS	L&GA	11	
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves											
	Rate of interest	Mortality or morbidity table			Office premiums	Net premiums	Office premiums	Net premiums															
1	2	3	4	5	6	7	8	9	10	11	12												
Guaranteed Accumulation Contract			107					165850				165850											
Sub total: Non Profit contracts			387579	9617372 (487452 pa)	38029	19750		4979509	229609	190756	4788753												
Sub total: Direct Written Business			533349	12580279 (548853 pa)	77758	41516		5719207	595238	402501	5316706												

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

Overseas business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Company  
registration  
numberCategory of surplus **Ordinary Long Term Business Fund**

Period ended

day

month

year

1996

11

15

GL

GL/UK/CM

Units

£000

OS

L&amp;GA

Category of surplus

11

Ordinary Long Term Business Fund																					
Category of surplus		R51		Z4		GL		15		11		1996		£000		OS		L&GA		11	
Type of insurance or name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves									
		Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums										
1		2	3	4	5	6	7	8	9	10	11	12									
REASSURANCE ACCEPTED																					
NON PROFIT CONTRACTS																					
REPUBLIC OF IRELAND																					
INDIVIDUAL																					
Whole life assurance		5.00%	AM80	1	4				2			2									
CANADA																					
INDIVIDUAL																					
Renewable term assurance				24	6997				6			6									
Sub total: Non Profit contracts				25	7001				8			8									
Sub total: Reassurance Accepted				25	7001				8			8									

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

Overseas business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Company  
registration  
numberCategory of surplus **Ordinary Long Term Business Fund**

Category of surplus		Ordinary Long Term Business Fund															
Type of insurance or name of contract		Valuation basis		No of contracts	R51	Z4	GL		15	11	1996	E000	Value of annual premiums		OS	L&GA	Amount of mathematical reserves
		Rate of interest	Mortality or morbidity table				Office premiums	Net premiums					Office premiums	Net premiums			
1	2	3	4	5	6	7	8	9	10	11	12						
REASSURANCE CEDED WITH PROFIT CONTRACTS REPUBLIC OF IRELAND INDIVIDUAL																	
Whole life assurance	3.50%	AM80		28				15	4					2			13
Endowment Assurance	3.50%	AM80		402				315	141					104			211
Pure Endowment	4.00%	AM80		1				1									1
Miscellaneous - Extra premium								2									2
GROUP																	
Miscellaneous assurance CANADA				8512				20									20



## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

Overseas business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Category of surplus **Ordinary Long Term Business Fund**Company  
registration  
numberPeriod ended  
day month year

GL/UK/CM

Units

Type of  
businessCategory  
of surplus

Category of surplus			Ordinary Long Term Business Fund										Amount of surplus		
Type of insurance or name of contract			Valuation basis		No of contracts	R51	Z4-	GL	15	11	1996	£000	OS	L&GA	Amount of mathematical reserves
			Rate of Interest	Mortality or morbidity table											
1			2	3	4	5	6	Amount of annual premiums		8	9	10	11	12	
INDIVIDUAL															
Whole life assurance			3.50%	AM80		15380	116	104	0.106		53507	1003	897	52610	
Endowment Assurance			3.50%	AM80		54	1	1	0.397		4957	6	4	4953	
Miscellaneous															
- Extra premium							17				17			17	
- Other			3.50%	AM80		156	2	1	0.622		1639	7	3	1636	
Sub total: With Profit contracts						24533	183	125			60473	1161	1010	59463	

Name of company	Company's description
The Standard Life Assurance Company	

The Standard Life Assurance Company

# Global business

**15th November 1996**

## Life Assurance & General Annuity Business

**Ordinary Long Term Business Fund**

Category of surplus		Ordinary Long Term Business Fund						Business				Surplus		
Type of insurance or name of contract		Valuation basis		No of contracts	R51	Z4-	GL	Year		1996	£000	Value of annual premiums		Amount of mathematical reserves
		Rate of interest	Mortality or morbidity table					15	11			Office premiums	Net premiums	
1	2	3		4	5	6	7	8	9	10	11	12		
REASSURANCE CEDED														
NON PROFIT CONTRACTS														
REPUBLIC OF IRELAND														
INDIVIDUAL														
Whole life assurance	5.00%	AM80			43	1			15	7	5	10		
Endowment assurance	5.00%	AM80			6				5			5		
Increaseable term assurance	5.00%	AM80			169	1			1	1		1		
Miscellaneous														
- Extra premium														
- Other	5.00%	AM80			17661	4			4			4		
Annuity in payment	6.25%	Basis 4			(5 pa)	73	46	0.370	564	519	328	236		
GROUP									38			38		

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

Overseas business

Financial year ended **15th November 1996**Type of business **Life Assurance & General Annuity Business**Company  
registration  
number

GLUK/CM

Period ended  
day month year

Units

UK/OS

Type of  
businessCategory  
of surplusCategory of surplus **Ordinary Long Term Business Fund**

R51

24

GL

15

11

1996

£000

OS

L&amp;GA

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
Miscellaneous assurance				402	1			1			1
CANADA											
INDIVIDUAL											
Whole life assurance	5.00%	AM80		33718	322	290	0.098	56979	2569	2310	54669
Endowment assurance	5.00%	AM80		428718	3426	3246	0.053	173147	43321	41036	132111
Renewable term assurance	5.00%	AM80		291621	944	561	0.405	9549	2359	1771	7778
Miscellaneous											
- Extra premium	5.00%	AM80			124			124			124
- Other	7.00%	Basis 6			394	362	0.067	32428	5119	4751	27677
Deferred annuity	7.00%	Basis 6		(790 pa)				625			625
Temporary annuity in payment	7.00%	Basis 6		(2791 pa)				9903			9903
Annuity in payment	7.00%	Basis 6						26833			26833

[illegible]

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended

15th November 1996

Type of business

Permanent Health Insurance

Category of surplus

Ordinary Long Term Business Fund

Company  
registration  
number

R51

GL/UK/CM

Z4

Period ended

day month year

15

11

1996

Units

£000

UKOS

OS

Type of  
business

PHI

Category  
of surplus

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
DIRECT WRITTEN BUSINESS											
WITH PROFIT CONTRACTS											
REPUBLIC OF IRELAND											
INDIVIDUAL											
Individual PHI			556	(5145 pa)	175			692			692
GROUP											
Long term disability											
- Deferred benefits			108	(154599 pa)	3289			3289			3289
- Immediate benefits	4.00%	CDT(64)	1	(2834 pa)				24959			24959
Sub total: With Profit contracts			665	(162578 pa)	3464			28940			28940

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended

15th November 1996

Type of business

Permanent Health Insurance

Category of surplus

Ordinary Long Term Business Fund

Company  
registration  
number

R51

Z44

Period ended

day month year

GL/UK/CM

GL

15

11

1996

Units

£000

UK/OS

OS

Type of  
business

PHI

Category  
of surplus

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
DIRECT WRITTEN BUSINESS											
NON PROFIT CONTRACTS											
CANADA											
GROUP											
Accident and Sickness			5617	(1533844 pa)	61499			101996			101996
GERMANY											
INDIVIDUAL											
Airbag			4280	(44569 pa)	681			2004			2004
Swing			17	(132 pa)	2			9			9
Sub total: Non Profit contracts			9914	(1578545 pa)	62182			104009			104009
Sub total: Direct Written Business			10579	(1741123 pa)	65646			132949			132949

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended

15th November 1996

Type of business

Permanent Health Insurance

Category of surplus

Ordinary Long Term Business Fund

Company  
registration  
number

Period ended

day

month

year

Units

UK/OS

Type of  
businessCategory  
of surplus

R51

Z4

GL

15

11

1996

£000

OS

PHI

11

Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums			Office premiums	Net premiums	
1	2	3	4	5	6	7	8	9	10	11	12
REASSURANCE CEDED WITH PROFIT CONTRACTS REPUBLIC OF IRELAND GROUP Long term disability - Deferred benefits - Immediate benefits Sub total: With Profit contracts	4.00%	CDT (64)		(41762 pa) (868 pa) (42630 pa)	1013			1013 7724 8737			1013 7724 8737

## Long term business : Valuation summary of non-linked contracts (other than accumulating with-profit policies)

Name of company *The Standard Life Assurance Company**Global business*

Overseas business

Financial year ended **15th November 1996**Type of business **Permanent Health Insurance**Category of surplus **Ordinary Long Term Business Fund**

Permanent Health Insurance													
Type of business	Company registration number			GL/UK/CM		Period ended			Units	UK/OS	Type of business		Category of surplus
Category of surplus	Ordinary Long Term Business Fund			R51	Z4	GL	15	11	1996	£000	OS	PHI	11
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses	Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Value of sums assured or annuities per annum, including vested reversionary bonuses	Value of annual premiums			Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table			Office premiums	Net premiums	Office premiums	Net premiums					
1	2	3	4	5	6	7	8	9	10	11	12		
REASSURANCE CEDED													
NON PROFIT CONTRACTS													
GERMANY													
INDIVIDUAL													
Airbag				(22284 pa)	341			1002					1002
Swing				(66 pa)	1			5					5
Sub total: Non Profit contracts				(22350 pa)	342			1007					1007
Sub total: Reassurance Ceded				(64980 pa)	1355			9744					9744
Net total: Permanent Health Insurance			10579	(1676143.26)	64291			123205					123205
Net total: Overseas business			543953	11682232 (2221410 pa)	136574	36886		5465143	540182	351290			5113853



## Long term business : Valuation summary of accumulating with-profit policies

Name of company

The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended

15th November 1996

Type of business

Life Assurance &amp; General Annuity Business

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

15 11

1996

Units

£000

UK/OS

UK

Type of  
business

L&amp;GA

Category  
of surplus

11

## Category of surplus

Ordinary Long Term Business Fund

R52

Z4

GL

15 11

1996

Units

£000

UK/OS

UK

Type of  
business

L&amp;GA

Category  
of surplus

11

Type of Insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses				Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Liability in respect of current benefits including vested bonuses		Other liabilities		Amount of mathematical reserves
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	Current benefit value		Discounted value	Mortality and expenses	Options and guarantees other than investment guarantees		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
INDIVIDUAL															
Versatile Investment Plan	3.50%	AM80	112995	1140436	1180329		111062			592117	577727	1864		579591	
Variable Protection Plan	3.50%	AM80	15518	748147	748157		5651			13128	9362	2285		11647	
Homeplan	3.50%	AM80	371308	8745562	8745566		203989			401855	392107	25835		417942	
Sub total: Direct Written Business			499821	10634145	10674052		320702			1007100	979196	29984		1009180	
Net Total: Life Assurance & General Annuity Business			499821	10634145	10674052		320702			1007100	979196	29984		1009180	

## Long term business : Valuation summary of accumulating with-profit policies

Name of company      **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended      **15th November 1996**Type of business      **Pension Business**Category of surplus      **Ordinary Long Term Business Fund**

Ordinary Long Term Business Fund																	Category of surplus			
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums			Proportion of office premiums reserved for expenses and profits		Liability in respect of current benefits including vested bonuses			Other liabilities			Amount of mathematical reserves		
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	Current premiums reserved for expenses and profits	Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees							
														1	15	11	1996		£000	UK
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15						
INDIVIDUAL																				
Personal Pension Plan & Castle Pension Series GROUP	4.00%	AM80	1309393	816178	7316312		270639				6551817	6622126	4106		6626232					
Group money purchase plan	4.00%	AM80	4944	226748	689052		63506				754700	721300	1288		722588					
Trustee Investment Plan			185				5076				146714	146714			146714					
Sub total: Direct Written Business			1314522	1042926	8005364		339221				7453231	7490140	5394		7495534					
Net Total: Pension Business			1314522	1042926	8005364		339221				7453231	7490140	5394		7495534					
Net Total: United Kingdom business			1814343	11677071	18679416		659923				8460331	8469336	35378		8504714					

## Long term business : Valuation summary of accumulating with-profit policies

Name of company

The Standard Life Assurance Company

Global business

Overseas business

Financial year ended

15th November 1996

Type of business

Life Assurance &amp; General Annuity Business

Company  
registration  
numberGL/UK/CM  
day month year

Units

UK/OS

Type of  
businessCategory  
of surplus

Ordinary Long Term Business Fund																
Category of surplus			R52	Z4	GL	15	11	1996	£000	OS	L&GA	11				
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Proportion of office premiums reserved for expenses and profits	Liability in respect of current benefits including vested bonuses		Other liabilities		Amount of mathematical reserves		
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
REPUBLIC OF IRELAND																
INDIVIDUAL																
Capital Savings Plan	3.50%	AM80	1948		1783		1638			1766	1215	6		1221		
Flexible Life Plan	3.50%	AM80	691	30158	30217		471			410	287	319		606		
Mortgage Plan	3.50%	AM80	109	3800	3800		139			138	92	40		132		
Personal & Executive Pension Plans	4.00%	AM80	24553	76922	259286		28319			194371	176945	85		177030		
GROUP																
Group money purchase plan	4.00%	AM80	197	6244	15141		2133			11978	11116	36		11152		
GERMANY																
INDIVIDUAL																
Airbag			4320	94859	94859	170370	4038			723	723	502		1225		
Swing			30	838	838	1184	47			5	5	5		10		

## Long term business : Valuation summary of accumulating with-profit policies

Name of company      **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended      **15th November 1996**Type of business      **Life Assurance & General Annuity Business**Company  
registration  
numberPeriod ended  
day month yearCategory  
of surplus

Ordinary Long Term Business Fund																						
Category of surplus			R52		Z4		GL		15		11		1996		£000		OS		L&GA		Amount of mathematical reserves	
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses				Amount of annual premiums			Proportion of office premiums reserved for expenses and profits		Liability in respect of current benefits including vested bonuses		Other liabilities			Amount of mathematical reserves				
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	Office premiums reserved for expenses and profits	Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees									
1		2	3	4	5	6	7	8	9	10	11	12	13	14	15							
Sub total: Direct Written Business			31848	212821	405924	171554	36785				209391	190383	993							191376		

## Long term business : Valuation summary of accumulating with-profit policies

Name of company      **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended      **15th November 1996**Type of business      **Life Assurance & General Annuity Business**

Ordinary Long Term Business Fund															year		month		business				
Category of surplus		R52			Z4		GL		15		11		1996		£000		OS		L&GA		Amount of mathematical reserves		
Type of insurance or name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Proportion of office premiums reserved for expenses and profits		Liability in respect of current benefits including vested bonuses		Other liabilities		Amount of mathematical reserves								
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	10	11	12	13	14										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15									
GERMANY																							
INDIVIDUAL																							
Airbag					47092		27							2			2						
Swing					416																		
Sub total: Reassurance Ceded					47508		27							2			2						
Net Total: Life Assurance & General Annuity Business			31848	212821	358416	171554	36758			209391	190383	991					191374						
Net Total: Overseas business			31848	212821	358416	171554	36758			209391	190383	991					191374						

## Long term business : Valuation summary of property linked contracts

Name of company      The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended      15th November 1996

Type of business      Life Assurance &amp; General Annuity Business

Category of surplus      Ordinary Long Term Business Fund

Life Assurance & General Annuity Business																	
Type of business		Company registration number		GL/UK/CM		Period ended				Units		UK/OS		Type of business		Category of surplus	
						day	month	year	£000		UK		L&GA		Amount of mathematical reserves		
Ordinary Long Term Business Fund																	
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability			Other liabilities		Amount of mathematical reserves		
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	11		
INDIVIDUAL																	
Capital Investment Bond			143694		2499861				FUND 1	2454439	2454439	167		2454606			
Homeplan			153774	2865836	2865836		64407		FUND 1	100442	100442	8494		108936			
Special Investment Bond			9168	3386	86758		45		FUND 1	85377	85377	5		85382			
Variable Protection Plan			15796	783445	783445		5492		FUND 1	21340	21340	2341		23681			
Versatile Investment Plan			64894	569433	584840		31525		FUND 1	162066	162066	1300		163366			
Miscellaneous assurance			3445	22812	46913		2925		FUND 1	46940	46940	1		46941			
Miscellaneous assurance			87	200	1855	200	7		FUND 2	2168	2168	100		2268			
Sub total: Non Profit contracts			390858	4245112	6869508	200	104401			2872772	2872772	12408		2885180			
Sub total: Direct Written Business			390858	4245112	6869508	200	104401			2872772	2872772	12408		2885180			

## Long term business : Valuation summary of property linked contracts

Name of company      The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended      15th November 1996

Type of business      Life Assurance &amp; General Annuity Business

Category of surplus      Ordinary Long Term Business Fund

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

UK/OS

Type of  
businessCategory  
of surplus

Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability		Other liabilities		Amount of mathematical reserves
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
INDIVIDUAL														
Capital Investment Bond									FUND 1	2454439	2454439			2454439
Homeplan							64407		FUND 1	100442	100442			100442
Special Investment Bond							45		FUND 1	85377	85377			85377
Variable Protection Plan							5492		FUND 1	21340	21340			21340
Versatile Investment Plan							31525		FUND 1	162066	162066			162066
Miscellaneous assurance							2925		FUND 1	46940	46940			46940
Sub total: Non Profit contracts							104394			2870604	2870604			2870604
Sub total: Reassurance Ceded							104394			2870604	2870604			2870604
Net total: Life Assurance & General Annuity Business			390858	4245112	6869508	200	7			2168	2168	12408		14576

## Long term business : Valuation summary of property linked contracts

Name of company      The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended      15th November 1996

Type of business      Pension Business

## Category of surplus      Ordinary Long Term Business Fund

Pension Business																			
Type of business		Company registration number																	
Category of surplus		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		GL/UK/CM		Period ended			Units		Type of business		Category of surplus
										day	month	year	UKOS	Pens	Amount of mathematical reserves				
Name of contract		Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	Category of unit link		Unit liability		Other liabilities					
1		2	3	4	5	6	7	8	9	10	11	12	13	14	15				
INDIVIDUAL																			
Personal Pension Plan & Castle Pension Series				794229	556236	3565972		173470		FUND 1	3037988	2919028	1929		2920957				
Flexible Pension Plan				334		73116				FUND 1	73116	73116	48		73164				
Phased Retirement Plan				67		16363				FUND 1	16363	16363	11		16374				
GROUP																			
Group money purchase plan				4944	97917	360059		32644		FUND 1	326104	309019	434		309453				
Trustee Investment Plan				443				84885		FUND 1	1236726	1236726			1236726				
Sub total: Non Profit contracts				800017	654153	4015510		290999			4690297	4554252	2422		4556674				
Sub total: Direct Written Business				800017	654153	4015510		290999			4690297	4554252	2422		4556674				



## Long term business : Valuation summary of property linked contracts

Name of company      **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended      **15th November 1996**Type of business      **Pension Business**Category of surplus      **Ordinary Long Term Business Fund**

Type of business		Pension Business										Company registration number		GL/UK/CM		Period ended			Units		UK/OS		Type of business		Category of surplus			
Category of surplus		Ordinary Long Term Business Fund										R53		Z4		GL		day month year			£000		UK		Pens		Amount of mathematical reserves	
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Category of unit link	Unit liability		Other liabilities		Amount of mathematical reserves														
	Rate of interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15														
INDIVIDUAL																												
Personal Pension Plan & Castle Pension Series							173470		FUND 1	3037988	2919028			2919028														
Flexible Pension Plan									FUND 1	73116	73116			73116														
Phased Retirement Plan									FUND 1	16363	16363			16363														
GROUP																												
Group money purchase plan							32644		FUND 1	326104	309019			309019														
Trustee Investment Plan							84885		FUND 1	1236726	1236726			1236726														
Sub total: Non Profit contracts							290999			4690297	4554252			4554252														
Sub total: Reassurance Ceded							290999			4690297	4554252			4554252														
Net total: Pension Business			800017	654153	4015510							2422		2422														
Net total: United Kingdom business			1190875	4899265	10885018	200	7			2168	2168	14830		16998														

## Long term business : Valuation summary of property linked contracts

Name of company      The Standard Life Assurance Company

Global business

Overseas business

Financial year ended      15th November 1996

Type of business      Life Assurance &amp; General Annuity Business

Ordinary Long Term Business Fund																					
Category of surplus		R53		Z4		GL		15		11		1996		£000		OS		L&GA		11	
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums			Category of unit link		Unit liability		Other liabilities			Amount of mathematical reserves				
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15							
REPUBLIC OF IRELAND																					
INDIVIDUAL																					
Capital Investment Bond			10924		258371				FUND 1	248731	248731	40	276	249047							
Special Investment Bond			73	10	803				FUND 1	813	813			813							
Universal Life Plan			1448	58124	58124		949		FUND 1	3517	3517	166		3683							
Capital Savings Plan			212		122		104		FUND 1	123	123			123							
Flexible Life Plan			153	5646	5735		80		FUND 1	260	260	17		277							
Mortgage Plan			10	155	155		7		FUND 1	10	10			10							
Miscellaneous assurance			2638	60062	60571		1238		FUND 1	14246	14246	142		14388							
Personal & Executive Pension Plans			9244	25052	96444		6159		FUND 1	75062	67966	85		68051							
GROUP																					
Group money purchase plan			197	12390	18695		1118		FUND 1	7428	6880	36		6916							

## Long term business : Valuation summary of property linked contracts

Name of company      The Standard Life Assurance Company

Global business

Overseas business

Financial year ended      15th November 1996

Type of business      Life Assurance &amp; General Annuity Business

Category of surplus				Ordinary Long Term Business Fund										R53		Z4				GL		15		1996		£000		OS		L&GA		Amount of mathematical reserves	
Name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses				Amount of annual premiums		Category of unit link	Unit liability		Other liabilities			Amount of mathematical reserves																
		Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums	Current benefit value		Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees																			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15																			
Group Managed Fund			169				49460		FUND 1	254223	254223			254223																			
CANADA																																	
INDIVIDUAL																																	
Ideal Investment Accumulator			13831		106140				FUND 1	106140	106140	441		106581																			
Portfolio FRIF			393		11966				FUND 1	11966	11966	50		12016																			
Miscellaneous assurance			4251		5969				FUND 1	5969	5969	9		5978																			
GROUP																																	
Triplans			1067		116825				FUND 1	116825	116825			116825																			
Sub total: Non Profit contracts			44610	161439	739920		59115			845313	837669	986	276	838931																			
Sub total: Direct Written Business			44610	161439	739920		59115			845313	837669	986	276	838931																			
Net total: Life Assurance & General Annuity Business			44610	161439	739920		59115			845313	837669	986	276	838931																			
Net total: Overseas business			44610	161439	739920		59115			845313	837669	986	276	838931																			

## Long term business : Valuation summary of Index linked contracts

Name of company      The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended      15th November 1996

Type of business		Life Assurance & General Annuity Business										Company registration number	GL/UK/CM		Period ended			Units	UK/OS	Type of business	Category of surplus
Category of surplus		Ordinary Long Term Business Fund										R54	Z4	GL	15	11	1996	£000	UK	L&GA	11
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Name of index link	Investment liability		Other liabilities			Amount of mathematical reserves						
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15							
INDIVIDUAL																					
Guaranteed Equity Bond	3.50%	AM80	3913	41523	41534	43397			FTSE 100		46796			46796							
Guaranteed Inflation Bond	2.75%	AM80	98	1111	1111	1193			RPI		1071			1071							
Temporary annuity in payment	3.50%	Basis 2	12		(72 pa)				RPI		388			388							
Annuity in payment	3.50%	Basis 2	22		(416 pa)				RPI		8252			8252							
Sub total: Non Profit contracts			4045	42634	42645 (488 pa)	44590					56507			56507							
Sub total: Direct Written Business			4045	42634	42645 (488 pa)	44590					56507			56507							
Total: Life Assurance & General Annuity Business			4045	42634	42645 (488 pa)	44590					56507			56507							

## Long term business : Valuation summary of Index linked contracts

Name of company      The Standard Life Assurance Company

Global business

United Kingdom business

Financial year ended      15th November 1996

Type of business      Pension Business

## Category of surplus      Ordinary Long Term Business Fund

Type of business	Pension Business										Company registration number	GL/UK/CM	Period ended		Units	UK/OS	Type of business	Category of surplus	
Category of surplus	Ordinary Long Term Business Fund										R54	Z4	GL	day month year		£000	UK	Pens	11
	Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses		Amount of annual premiums		Name of Index link	Investment liability				Other liabilities					
	Rate of Interest	Mortality or morbidity table			Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums		Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15					
INDIVIDUAL																			
Deferred annuity	3.50%	Basis 3	4		(31 pa)				RPI		413			413					
Temporary annuity in payment	3.50%	Basis 3	67		(456 pa)				RPI		1561			1561					
Annuity in payment	3.50%	Basis 3	8562		(59444 pa)				RPI		604392			604392					
GROUP																			
Group deferred annuity																			
-Paid up contracts	3.50%	Basis 1	66	37845					RPI		170866			170866					
Deferred reversionary annuity																			
-Paid up contracts	3.50%	Basis 1	66	8465					RPI		38218			38218					
Miscellaneous deferred annuity	3.50%	Basis 1	66	6328							28572			28572					
Temporary annuity in payment	3.50%	Basis 1			(47 pa)				RPI		132			132					
Annuity in payment	3.50%	Basis 1	7		(39708 pa)				RPI		333064			333064					

**Long term business : Valuation summary of Index linked contracts**Name of company      **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended      **15th November 1996**Type of business      **Pension Business****Category of surplus      Ordinary Long Term Business Fund**

Type of business		Pension Business		Company registration number										GL/UK/CM		Period ended			UK/OS		Type of business	Category of surplus		
Category of surplus		Ordinary Long Term Business Fund										R54		Z4		GL		15 day	11 month	1996 year	Units	UK	Pens	11
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Name of index link	Investment liability		Other liabilities		Amount of mathematical reserves										
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees											
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15										
Sub total: Non Profit contracts			8838	52638	(99686 pa)						1177218			1177218										
Sub total: Direct Written Business			8838	52638	(99686 pa)						1177218			1177218										
Total: Pension Business			8838	52638	(99686 pa)						1177218			1177218										

## Long term business : Valuation summary of Index linked contracts

Name of company      **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended      **15th November 1996**Type of business      **Permanent Health Insurance**Category of surplus      **Ordinary Long Term Business Fund**

Permanent Health Insurance															Category of surplus		Type of business																	
Company registration number															GL/UK/CM		Period ended		Units		UK/OS		Type of business		Category of surplus									
Ordinary Long Term Business Fund															R54		Z4		GL		15		11		1996		£000		UK		PHI		11	
Name of contract		Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Name of index link	Investment liability			Other liabilities			Amount of mathematical reserves																	
					Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees																				
1		2	3	4	5	6	7	8	9	10	11	12	13	14	15																			
INDIVIDUAL																																		
Income Protection Plan	5.25%	Basis 8	5161		(49537 pa)			1068	905	INDEX 1		3441			3441																			
Extra Premiums								201		INDEX 1		302			302																			
Claims in Payment	6.10%									INDEX 1		440			440																			
Claims Notified but not admitted	6.10%				(62 pa)					INDEX 1		183			183																			
Sub total: Non Profit contracts			5161		(49599 pa)			1269	905			4366			4366																			
Sub total: Direct Written Business			5161		(49599 pa)			1269	905			4366			4366																			

## Long term business : Valuation summary of index linked contracts

Name of company      **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended      **15th November 1996**Type of business      **Permanent Health Insurance**Category of surplus      **Ordinary Long Term Business Fund**

Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Name of index link		Investment liability		Other liabilities		Category of surplus
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums			Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	11
INDIVIDUAL															
Income Protection Plan	5.25%	Basis 8			(49537 pa)		1068	905	INDEX 1			3441			3441
-Extra Premium							201		INDEX 1			302			302
-Claims In Payment	6.10%								INDEX 1			440			440
-Claims notified but not admitted	6.10%				(62 pa)				INDEX 1			183			183
Sub total: Non Profit contracts					(49599 pa)		1269	905				4366			4366
Sub total: Reassurance Ceded					(49599 pa)		1269	905				4366			4366
Total: Permanent Health Insurance			5161												
Total: United Kingdom business			18044	95272	42645 (100174 pa)	44590						1233725			1233725



## Long term business : Valuation summary of index linked contracts

Name of company      **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended      **15th November 1996**Type of business      **Life Assurance & General Annuity Business**

Ordinary Long Term Business Fund																		
Category of surplus		R54																
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		GL	Z4	15	11	1996	£000	OS	L&GA	11	
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums											Net premiums
							Amount of investment liability											
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15				
CANADA																		
INDIVIDUAL																		
Perspectia			417	19753	19753				INDEX 2	72		72		72			72	
Perspectia			420	23921	23921				INDEX 3	87		87		87			87	
Perspectia			59	1309	1309				INDEX 4	5		5		5			5	
Annuity in payment	3.50%	Basis 6	20		(93 pa)				INDEX 5			1100		1100			1100	
GROUP																		
Annuity in payment	3.50%	Basis 7	16		(1871 pa)				INDEX 5			24011		24011			24011	
GERMANY																		
INDIVIDUAL																		
Index Allegro Option			5	47	47	71	7		DAX 30			3	1				4	
Index Andante Option			6	34	34	54	11		DAX 30			9					9	

## Long term business : Valuation summary of Index linked contracts

Name of company      The Standard Life Assurance Company

Global business

Overseas business

Financial year ended      15th November 1996

Type of business      Life Assurance &amp; General Annuity Business

Ordinary Long Term Business Fund																	
Category of surplus			R54	Z4	GL	15	11	1996	£000	OS	L&GA	11					
Name of contract	Valuation basis		No of contracts	Amount of sums assured or annuities per annum, including vested reversionary bonuses			Amount of annual premiums		Name of index link	Investment liability		Other liabilities		Amount of mathematical reserves			
	Rate of Interest	Mortality or morbidity table		Guaranteed on death	Current on death	Guaranteed on maturity	Office premiums	Net premiums		Current benefit value	Discounted value	Mortality and expenses	Options and guarantees other than investment performance guarantees				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15			
Sub total: Non Profit contracts			943	45064	45064 (1964 pa)	125	18			164	25287	1		25288			
Sub total: Direct Written Business			943	45064	45064 (1964 pa)	125	18			164	25287	1		25288			
Total: Life Assurance & General Annuity Business			943	45064	45064 (1964 pa)	125	18			164	25287	1		25288			
Total: Overseas business			943	45064	45064 (1964 pa)	125	18			164	25287	1		25288			

## Long term business : Analysis of units in Internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company                      **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended                      **15th November 1996**Category of surplus                      **Ordinary Long Term Business Fund**

Internal linked fund

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

UK/OS

Category  
of surplus

IL/DH

Name of fund link or directly held asset	1	Name of unit type	2	Valuation price per unit or asset	3	Total actual number of units in force or directly held assets	4	Value of total actual units in force or directly held assets	5	Value of actual units held by other internal linked funds	6	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	7	8	9	10	Value of surplus units or directly held assets (7-8+9)
Assurance - Cash		Indiv		2.894477		4510100								12932			
Sub total: Assurance - Cash						4510100								12932			
Assurance - Derivative		Indiv		0.641242		27457536											
Sub total: Assurance - Derivative						27457536											
Assurance - Distribution Asset Allocation		Indiv		1.064721		22355110											
Sub total: Assurance - Distribution						22355110											
Asset Allocation																	
Assurance - Distribution Cash		Indiv		0.978277		81580								80			
Sub total: Assurance - Distribution Cash						81580								80			
Assurance - Equity		Indiv		12.490831		135033264								163591			
Sub total: Assurance - Equity						135033264								163591			
Assurance - Europe		Indiv		1.926937		144733691								18770			
Sub total: Assurance - Europe						144733691								18770			
Assurance - Fixed Interest		Indiv		4.488262		44391234								18380			
Sub total: Assurance - Fixed Interest						44391234								18380			

**Long term business : Analysis of units in Internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits**

**The Standard Life Assurance Company**

## Global business

## Overseas business

Financial year ended 15th November 1996

Category of surplus

Internal linked fund												IL/DH
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Units			UK/OS	Category of surplus	
							Period ended					
							registration number	GL/UK/CM	day month year			
			R55	Z4	GL	15 day	11 month	1996 year	£000	UK	11	ILH
1	2	3	4	5	6	7	8	9	10			
Assurance - Index Linked	Indiv	2.336494	1211582				2893	2893				
Sub total: Assurance - Index Linked			1211582				2893	2893				
Assurance - Japan	Indiv	0.908295	148090398				499	499				
Sub total: Assurance - Japan			148090398				499	499				
Assurance - Managed	Indiv	8.299572	301217307				2499975	2499975				
Sub total: Assurance - Managed			301217307				2499975	2499975				
Assurance - Managed Distribution	Indiv	0.994900	29619777				29469	29469				
Sub total: Assurance - Managed Distribution			29619777				29469	29469				
Assurance - Managed Far East	Indiv	1.719636	10844678				18649	18649				
Sub total: Assurance - Managed Far East			10844678				18649	18649				
Assurance - Managed International	Indiv	6.638670	5884260				39064	39064				
Sub total: Assurance - Managed International			5884260				39064	39064				
Assurance - Managed Structured	Indiv	1.100494	38501891				42371	42371				

Name of company

## Overseas business

**15th November 1996**

## Ordinary Long Term Business Fund

Company registration number

Period ended  
day month year

Category of surplus

1107

day month year												or surplus																			
1996												11		ILH																	
R55												Z4		GL		15		11		£000		UK		Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)					
Name of fund link or directly held asset												Name of unit type		Valuation price per unit or asset		Total actual number of units in force or directly held assets		Value of total actual units in force or directly held assets		Value of actual units held by other internal linked funds		Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)		Gross		Reinsurance ceded					
1												2		3		4		5		6		7		8		9		10			
Sub total: Assurance - Managed Structured																38501891										42371		42371			
Assurance - North America												Indiv		1.870746		61880782										3156		3156			
Sub total: Assurance - North America Assurance - Pacific												Indiv		0.973438		61880782										3156		3156			
Sub total: Assurance - Pacific Assurance - Property												Indiv		3.822504		254775986										122		122			
Sub total: Assurance - Property Assurance - Sterling												Indiv		0.957930		28545447										122		122			
Sub total: Assurance - Sterling Assurance - Structured Asset Allocation												Indiv		0.757626		28545447										12491		12491			
Sub total: Assurance - Structured Asset Allocation Assurance - Structured UK Equity												Indiv		1.258060		8520519										8162		8162			
Sub total: Assurance - Structured UK Equity												Indiv				13099764										8162		8162			
Sub total: Assurance - Structured UK Equity												Indiv				18170337										8162		8162			
Sub total: Assurance - Structured UK Equity												Indiv				18170337										8162		8162			

## Long term business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

Internal linked fund

Ordinary Long Term Business Fund																			
Category of surplus		Company registration number		GL/UK/CM		Period ended			Units		UK/OS		Category of surplus		IL/DH				
Internal linked fund						day month year													
		R55		Z4		GL		15 11 1996		£000		UK		11		ILH			
Name of fund link or directly held asset		Name of unit type		Valuation price per unit or asset		Total actual number of units in force or directly held assets		Value of total actual units in force or directly held assets		Value of actual units held by other internal linked funds		Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)		Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)			
1		2		3		4		5		6		7		8		9		10	
Pension - Corporate Cash		Group		4.951172		5664448								27298		27298			
Sub total: Pension - Corporate Cash						5664448								27298		27298			
Pension - Corporate Derivative		Group		0.243183		2712935													
Sub total: Pension - Corporate Derivative						2712935													
Pension - Corporate Equity		Group		20.815114		24912714													
Sub total: Pension - Corporate Equity						24912714													
Pension - Corporate Equity Smaller Companies		Group		1.472687		42365048								29276		29276		29276	
Sub total: Pension - Corporate Equity Smaller Companies						42365048								29276		29276		29276	
Pension - Corporate Europe		Group		3.100778		31147291								6278		6278		6278	
Sub total: Pension - Corporate Europe						31147291								6278		6278		6278	
Pension - Corporate Fixed Interest		Group		6.910820		16799529								42478		42478		42478	
Sub total: Pension - Corporate Fixed Interest						16799529								42478		42478		42478	







## Long term business : Analysis of units in Internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company                      **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended                      **15th November 1996**Category of surplus                      **Ordinary Long Term Business Fund**

Internal linked fund

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

UK/OS

Category  
of surplus

ILDH

Year											
Month											
Day											
Surplus											
11											
10											
9											
8											
7											
6											
5											
4											
3											
2											
1											
0											
Value of surplus units or directly held assets (7-8+9)											
Value of units or directly held assets deemed allocated to contracts											
Gross											
Reinsurance ceded											
Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)											
Value of actual units held by other internal linked funds											
Value of total actual units in force or directly held assets											
Total actual number of units in force or directly held assets											
Valuation price per unit or asset											
Name of unit type											
Name of fund link or directly held asset											
Pension - Index Linked	Group	3.530437	859669	5	6	7	8	9	10	11	ILH
Pension - Index Linked	Indiv	3.309381	121058				3035	401			
Sub total: Pension - Index Linked			980727				3436	3436			
Pension - International	Indiv	0.900431	106586191								
Sub total: Pension - International			106586191				2530689	828512			
Pension - Managed	Indiv	12.305664	205652377				828512	3359201			
Pension - Managed	Group	13.074415	63368940				3359201	26946			
Sub total: Pension - Managed			269021317				317910	317910			
Pension - Managed Equity	Group	20.152409	1337116				26946	344856			
Pension - Managed Equity	Indiv	19.133560	16615325				344856	648			
Sub total: Pension - Managed Equity			17952441				648	49097			
Pension - Managed Far East	Group	1.765289	366847				49097	49745			
Pension - Managed Far East	Indiv	1.378702	35610988				49745	4980			
Sub total: Pension - Managed Far East			35977835								
Pension - Managed International	Group	10.600005	469836								



**Name of company**  
**The Standard Life Assurance Company**

## Overseas business

[illegible]

Internal linked fund	registration number	GL/UK/CM	Period ended				Units	UK/OS	Category of surplus	IL/DH	
			day		month						year
			15	11	1996	£000					
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	2	3	4	5	6	7	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)
									Gross	Reinsurance ceded	
1											
Sub total: Pension - Protection Pension - Stock Exchange	Indiv	0.938225	16910613						17336	9	10
Sub total: Pension - Stock Exchange Pension - Structured Asset Allocation	Group	0.897911	31581087								
Pension - Structured Asset Allocation	Indiv	0.894608	342604								
Sub total: Pension - Structured Asset Allocation			8090230								
Allocation			8432834								
Pension - Structured UK Equity	Group	1.095838	846449								
Pension - Structured UK Equity	Indiv	1.091808	15763949								
Sub total: Pension - Structured UK Equity			16610398								
Unit Endowment	Indiv	17.738667	122228	2168				2168	2168		
Sub total: Unit Endowment			122228	2168				2168			

## Long term business : Analysis of units in Internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

Internal linked fund

Period ended												
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)			
							Gross	Reinsurance ceded				
1	2	3	4	5	6	7	8	9	10	11	12	
Canada Diversified	Group	19.423952	4246602	82486		82486	82486	82486				
Sub total: Canada Diversified			4246602	82486		82486	82486	82486				
Canada Equity	Group	29.826528	1151307	34339		34339	34339	34339				
Canada Equity	Indiv	31.697874	16584	526		526	526	526				
Sub total: Canada Equity			1167891	34865		34865	34865	34865				
Canada Ideal Bond	Indiv	12.452148	804508	10018		10018	10018	10018				
Sub total: Canada Ideal Bond			804508	10018		10018	10018	10018				
Canada Ideal Diversified	Indiv	11.979020	6279962	75228		75228	75228	75228				
Sub total: Canada Ideal Diversified			6279962	75228		75228	75228	75228				
Canada Ideal Equity	Indiv	11.447895	2378136	27225		27225	27225	27225				
Sub total: Canada Ideal Equity			2378136	27225		27225	27225	27225				
Canada Ideal Money Market	Indiv	5.372107	1729776	9292		9292	9292	9292				
Sub total: Canada Ideal Money Market			1729776	9292		9292	9292	9292				
Canada Northern Investment	Indiv	47.877530	9900	474		474	474	474				
Sub total: Canada Northern Investment			9900	474		474	474	474				

## Long term business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

Internal linked fund

Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	R55	Number					Year			£000	OS	11	ILH
				Z4	GL	15	11	1996	Value of units or directly held assets deemed allocated to contracts						
									Gross	Reinsurance ceded					
											Value of surplus units or directly held assets (7-8+9)				
1	2	3	4	5	6	7	8	9	10						
Canada Save & Prosper Property	Indiv	4.519874	374512	1693		1693	1198		495						
Sub total: Canada Save & Prosper Property			374512	1693		1693	1198		495						
Canada United Prosperity	Indiv	6.121286	13139	80		80	80								
Sub total: Canada United Prosperity			13139	80		80	80								
Canada Westmount Equity	Indiv	125.549915	266	33		33	33								
Sub total: Canada Westmount Equity			266	33		33	33								
R of I 2000 Redemption	Indiv	0.964563	1263554	1219		1219	4543		(3324)						
Sub total: R of I 2000 Redemption			1263554	1219		1219	4543		(3324)						
R of I Investment Cash	Indiv	2.336401	2757248	6442	6442										
Sub total: R of I Investment Cash			2757248	6442	6442										
R of I Investment Index Linked	Indiv	2.443164	171289	418	297	121			121						
Sub total: R of I Investment Index Linked			171289	418	297	121			121						
R of I Investment Irish Equity	Indiv	8.480862	9376879	79524	79111	413			413						



## Long term business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

Internal linked fund

Investment Linked Fund												
Number												
day month year												
11 1996												
£000												
OS												
11												
ILH												
Value of units or directly held assets deemed allocated to contracts												
Value of surplus units or directly held assets (7-8+9)												
Gross												
Reinsurance ceded												
7												
8												
9												
10												
(7)												
297												
297												
308												
308												
179												
179												
29												
29												
357												
357												

Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)
							Gross	Reinsurance ceded	
1	2	3	4	5	6	7	8	9	10
Sub total: R of I Investment Managed Fixed Interest			1037698	5238		5238	5245		(7)
R of I Investment Managed Index Linked	Indiv	2.443164	121521	297		297			297
Sub total: R of I Investment Managed Index Linked			121521	297		297			297
R of I Investment Managed Int'l Equity	Indiv	1.404188	3553578	4990		4990	4682		308
Sub total: R of I Investment Managed Int'l Equity			3553578	4990		4990	4682		308
R of I Investment Managed Irish Equity	Indiv	1.494965	4324404	6465		6465	6286		179
Sub total: R of I Investment Managed Irish Equity			4324404	6465		6465	6286		179
R of I Investment Managed Property	Indiv	2.354101	553133	1302		1302	1273		29
Sub total: R of I Investment Managed Property			553133	1302		1302	1273		29
R of I Investment Overseas Equity	Indiv	4.610363	24678287	113776	113419	357			357
Sub total: R of I Investment Overseas Equity			24678287	113776	113419	357			357

## Long term business : Analysis of units in Internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

Internal linked fund

Year																	
Month																	
Day																	
R55																	
Z4																	
GL																	
15																	
11																	
1996																	
£000																	
OS																	
11																	
ILH																	
Name of fund link or directly held asset	1	Name of unit type	2	Valuation price per unit or asset	3	Total actual number of units in force or directly held assets	4	Value of total actual units in force or directly held assets	5	Value of actual units held by other internal linked funds	6	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	7	Value of units or directly held assets deemed allocated to contracts		Value of surplus units or directly held assets (7-8+9)	
														Gross	Reinsurance ceded		8
R of I Investment Overseas Property		Indiv		2.334506		872958		2038		1769		269				269	
Sub total: R of I Investment Overseas Property						872958		2038		1769		269				269	
R of I Pension Cash		Group		3.071844		2005642		6161		6161							
R of I Pension Cash		Indiv		2.930759		587991		1723		1723							
Sub total: R of I Pension Cash						2593633		7884		7884							
R of I Pension Index Linked		Group		3.083401		86101		265		197		68				68	
R of I Pension Index Linked		Indiv		2.988439		22287		67		50		17				17	
Sub total: R of I Pension Index Linked						108388		332		247		85				85	
R of I Pension Irish Equity		Indiv		15.781557		1399425		22085		21822		263				263	
R of I Pension Irish Equity		Group		16.267035		4499328		73191		73166		25				25	
Sub total: R of I Pension Irish Equity						5898753		95276		94988		288				288	
R of I Pension Irish Fixed Interest		Indiv		8.558893		2002530		17140		16724		416				416	
R of I Pension Irish Fixed Interest		Group		8.829108		7068163		62406		61937		469				469	
Sub total: R of I Pension Irish Fixed Interest						9070693		79546		78661		885				885	



**Long term business : Analysis of units in internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits**

**Name of company**  
**The Standard Life Assurance Company**

## Global business

## Overseas business

Financial year ended 15th November 1996

Category of surplus

Internal linked fund

Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Year										Value of surplus units or directly held assets (7-8+9)
			R55	Z4	GL	day month		1996	E000	OS	11	ILH	
						15	11						
1	2	3	4	5	6	7	8	9	10	Value of units or directly held assets deemed allocated to contracts			
			Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Gross	Reinsurance ceded					
R of I Pension Irish Property	Indiv	1.530679	320762	491	495	(4)			(4)				
R of I Pension Irish Property	Group	1.555037	855864	1331	1299	32			32				
Sub total: R of I Pension Irish Property			1176626	1822	1794	28			28				
R of I Pension Managed	Group	10.279685	22447466	230752		230752	234956		(4204)				
R of I Pension Managed	Indiv	4.579703	14286757	65429		65429	65208		221				
Sub total: R of I Pension Managed			36734223	296181		296181	300164		(3983)				
R of I Pension Managed Cash	Indiv	2.930759	587991	1723		1723	2110		(387)				
R of I Pension Managed Cash	Group	3.071846	2005642	6161		6161	2438		3723				
Sub total: R of I Pension Managed Cash			2593633	7884		7884	4548		3336				
R of I Pension Managed Equity	Group	11.580346	296204	3430		3430	3186		244				
R of I Pension Managed Equity	Indiv	4.555401	968077	4410		4410	4381		29				
Sub total: R of I Pension Managed Equity			1264281	7840		7840	7567		273				
R of I Pension Managed Fixed Interest	Group	8.765869	738429	6473		6473	6312		161				
R of I Pension Managed Fixed Interest	Indiv	4.798214	207543	996		996	1102		(106)				

Name of company

## Overseas business

**15th November 1996**

## Ordinary Long Term Business Fund

Company registration GL/UK/CM

Year									
Month									
Day									
R55									
Z4									
GL									
15									
11									
1996									
£000									
OS									
11									
ILH									
Value of surplus units or directly held assets (7-8+9)									
Value of units or directly held assets deemed allocated to contracts									
Gross									
Reinsurance ceded									
Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)									
7									
8									
9									
10									
55									
197									
50									
247									
4339									
1282									
5621									
2913									
534									
3447									
326									
250									
270									
92									
158									

Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts	Value of surplus units or directly held assets (7-8+9)
1	2	3	4	5	6	7	8	10
Sub total: R of I Pension Managed Fixed Interest			945972	7469		7469	7414	55
R of I Pension Managed Index Linked	Group	3.083449	64014	197		197		197
R of I Pension Managed Index Linked	Indiv	2.777361	17924	50		50		50
Sub total: R of I Pension Managed Index Linked			81938	247		247		247
R of I Pension Managed Int'l Equity	Group	1.703514	2546895	4339		4339	4365	(26)
R of I Pension Managed Int'l Equity	Indiv	1.576932	812872	1282		1282	1260	22
Sub total: R of I Pension Managed Int'l Equity			3359767	5621		5621	5625	(4)
R of I Pension Managed Irish Equity	Group	1.868004	1559507	2913		2913	2874	39
R of I Pension Managed Irish Equity	Indiv	1.729962	308559	534		534	516	18
Sub total: R of I Pension Managed Irish Equity			1868066	3447		3447	3390	57
R of I Pension Managed Property	Indiv	2.734008	119108	326		326	270	56
R of I Pension Managed Property	Group	4.283021	58487	250		250	92	158

## Long term business : Analysis of units in Internal linked funds and direct holdings of assets matching liabilities in respect of property linked benefits

Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

Internal linked fund

Company  
registration  
number

GL/UK/CM

Period ended  
day month year

Units

UK/OS

Category  
of surplus

IL/DH

Statement of Assets and Liabilities										
Name of fund link or directly held asset	Name of unit type	Valuation price per unit or asset	Total actual number of units in force or directly held assets	Value of total actual units in force or directly held assets	Value of actual units held by other internal linked funds	Value of directly held assets and actual units in force excluding those held by other internal linked funds (5-6)	Value of units or directly held assets deemed allocated to contracts		11	ILH
							Gross	Reinsurance ceded		
R55	Z4	GL	15	11	1996	£000	OS	11	OS	ILH
1	2	3	4	5	6	7	8	9	10	
Sub total: R of I Pension Managed Property			177595	576		576	362		214	
R of I Pension Overseas Equity	Indiv	7.266728	4657903	33848	33439	409			409	
R of I Pension Overseas Equity	Group	7.493983	14730871	110393	110455	(62)			(62)	
Sub total: R of I Pension Overseas Equity			19388774	144241	143894	347			347	
R of I Pension Overseas Property	Indiv	4.013743	130658	524	497	27			27	
R of I Pension Overseas Property	Group	4.139597	332412	1376	1301	75			75	
Sub total: R of I Pension Overseas Property			463070	1900	1798	102			102	
Total: Ordinary Long Term Business Fund			304289898	1428288	590163	838125	8264693	7424856	(1712)	

**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	UK	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Equity Shares		FTSE 100			46796				
Sub total assets					46796				
Sub total liabilities									
Sub total net assets					46796				
Total assets									
Total liabilities									
Net total assets									

**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	UK	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Variable Interest Approved Securities		RPI			1186929				
Sub total assets					1186929				
Sub total liabilities									
Sub total net assets					1186929				
Total assets									
Total liabilities									
Net total assets									

**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company **The Standard Life Assurance Company**

Global business

United Kingdom business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	OS	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Variable Interest Approved Securities		INDEX 5			25111				
Sub total assets					25111				
Sub total liabilities									
Sub total net assets					25111				
Total assets									
Total liabilities									
Net total assets									

**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	OS	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Equity Shares		INDEX 2			72				
Sub total assets					72				
Sub total liabilities									
Sub total net assets					72				
Total assets									
Total liabilities									
Net total assets									

**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	OS	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Equity Shares		INDEX 3			87				
Sub total assets					87				
Sub total liabilities									
Sub total net assets					87				
Total assets									
Total liabilities									
Net total assets									



**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company      **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended      **15th November 1996**Category of surplus      **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	OS	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Fixed Interest Approved Securities		INDEX4			5				
Sub total assets					5				
Sub total liabilities									
Sub total net assets					5				
Total assets									
Total liabilities									
Net total assets									

**Long term business : Analysis of assets and liabilities matching investment liabilities in respect of index linked benefits**Name of company **The Standard Life Assurance Company**

Global business

Overseas business

Financial year ended **15th November 1996**Category of surplus **Ordinary Long Term Business Fund**

	Company registration number	GL/UK/CM	Period ended			Units	UK/OS	Category of Surplus	
			day	month	year				
	R56	Z4	GL	15	11	1996	£000	OS	11
Type of assets and liabilities		Name of index link			Value of assets or liabilities		Gross derivative value		
		1			2		3		
Rights under Derivatives Contract		DAX 30			12		12		
Sub total assets					12				
Sub total liabilities									
Sub total net assets					12				
Total assets					1259012				
Total liabilities									
Net total assets					1259012				

**Name of company**

## Global business

Financial year ended	15th November 1996
----------------------	--------------------

## Sterling liabilities

Rate of interest 3.50%

Type of business  
**Life Assurance & General Annuity Business**

**With profits**

Category of assets	Total
Real estate	100
Equity investments	100
Debt investments	100
Other assets	100
<b>Total</b>	<b>400</b>

Category of assets	Company registration number		GL/UK/CM	Period ended			Units	Stg/ NonStg	Rate of interest	Type of business	WP/NP	Category of assets
				year								
				day	month	year						
Total	R57	Z4	GL	15	11	1996	£000	Stg	3.50	L&GA	WP	10
Type of asset notionally allocated	Value of asset notionally allocated											
	1											
	2											
	3											
	4											
Land and buildings	11	1091198										
Fixed interest securities	12	1367354										
	13	460857										
Variable yield securities (excluding items shown at line 16)	14											
	15											
Equity shares and holdings in collective investment schemes	16	6173911										
Loans secured by mortgages	17											
All other assets	18	239386										
	19											
Total	29	9332706										
Total under resilience scenario	39	8126485										



## Long term business : Matching rectangle

(Sheet 3)

Name of company      **The Standard Life Assurance Company**

Global business

Financial year ended      **15th November 1996**

Sterling liabilities

Rate of interest      **4.00%**Type of business      **Pension Business**

With profits

Category of assets      **Total**Company  
registration  
number

Category of assets	GL/JUK/CM	Period ended			Units	Stg/ NonStg	Rate of Interest	Type of business		WP/NP	Category of assets
		day	month	year				Pens	WP		
	R57	Z4	GL	15	11	1996	£000	Stg	4.00		10
<b>Type of asset notionally allocated</b>											
Land and buildings	11			967793		6.50					
	12			1398335		7.63					
Fixed interest securities	13			471299		8.61					
Variable yield securities (excluding items shown at line 16)	14										
	15										
Equity shares and holdings in collective investment schemes	16			5323611		3.18					
Loans secured by mortgages	17										
All other assets	18			71504		5.13					
	19										
Total	29			8232542		4.65		4.00			8232542
Total under resilience scenario	39			6431739		6.13		5.98			6431739

Type of asset notionally allocated

Land and buildings

Fixed interest securities

Approved securities

Other

Variable yield securities (excluding  
items shown at line 16)

Approved securities

Other

Equity shares and holdings in collective investment schemes

Loans secured by mortgages

All other assets

Producing income

Not producing income

Total

Total under resilience scenario



## Long term business : Matching rectangle

(Sheet 5)

Name of company      **The Standard Life Assurance Company**

Global business

Financial year ended      **15th November 1996***Sterling* liabilitiesRate of interest      **6.75%**Type of business      **Pension Business**

Non profit

Category of assets      **Total**

Category of assets	Company registration number	Period ended			Units		Stg/NonStg	Rate of interest	Type of business		WP/NP	Category of assets
		GL/UK/CM	day	month	year	1996	£000					
	R57	Z4	GL	15	11	1996	£000	Stg	6.75	Pens	NP	10
<b>Type of asset notionally allocated</b>												
Land and buildings			Value of asset notionally allocated		Risk adjusted yield %		Gross valuation interest rate %		Net valuation interest rate % (where appropriate)		Mathematical reserve or other liability, net of reinsurance	
			1		2		3		4		5	
	11		10564		6.50							
Fixed interest securities			Approved securities		7.63							
	12		2724503									
	13		918274		8.61							
Variable yield securities (excluding items shown at line 16)			Approved securities									
	14											
	15											
Equity shares and holdings in collective investment schemes	16		57349		3.18							
Loans secured by mortgages	17											
All other assets			Producing income									
	18											
	19		Not producing income									
Total	29		3710690		7.80		6.75		6.75		3710690	
Total under resilience scenario	39		3543400		6.93		6.75		6.75		3543400	

## Long term business : Matching rectangle

Name of company      The Standard Life Assurance Company

Global business

Financial year ended      15th November 1996

Non Sterling liabilities

Rate of interest      6.25%

Type of business      Life Assurance &amp; General Annuity Business

Non profit

Category of assets      Total

Category of assets	Total	Company registration number	GL/JUK/CM	Period ended			Units	Stg/ NonStg	Rate of Interest	Type of business	WP/NP	Category of assets
				day	month	year						
R57	Z4	GL	15	11	1996	£000	NonStg	6.25	L&GA	NP	10	
Type of asset notionally allocated												
Land and buildings		11										
Fixed interest securities	Approved securities	12	1332966		6.55							
	Other	13	438085		7.22							
Variable yield securities (excluding items shown at line 16)	Approved securities	14										
	Other	15										
Equity shares and holdings in collective investment schemes		16										
Loans secured by mortgages		17	1663342		7.02							
All other assets	Producing income	18	300129		7.02							
	Not producing income	19										
Total		29	3734522		6.88		6.25		6.25			3734522
Total under resilience scenario		39	3840937		5.90		5.75		5.75			3840937



Long term business : Matching rectangle

(Sheet 7)

Name of company      **The Standard Life Assurance Company**

Global business

Financial year ended      **15th November 1996**Rate of interest      **Balance**

Type of business

Category of assets		Total		Company registration number	GL/UK/CM	Period ended			Units	Stg/ NonStg	Rate of Interest	Type of business	WP/NP	Category of assets
						day	month	year						
R57		Z4		GL	15	11	1996	£000			98			10
Type of asset notionally allocated														
Land and buildings					11	117504		5.72						
					12	1506570		7.25						
Fixed interest securities					13	439250		8.26						
Variable yield securities (excluding items shown at line 16)					14									
					15									
Equity shares and holdings in collective investment schemes					16	270569		2.35						
Loans secured by mortgages					17	477343		7.02						
All other assets					18	63454		4.96						
					19									
Total					29	2874690		6.79					2874690	
Total under resilience scenario					39	2775663		5.52					2775663	



**Long term business : Valuation result and distribution of surplus**Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**Company  
registration  
number

GL/UK/CM

Period ended

day month year

Units

Category  
of surplus

Category of surplus

**Ordinary Long Term  
Business Fund****R58****Z4****GL****15****11****1996****£000****11**

Valuation result	Fund carried forward		11	31043021
	Bonus payments made to policyholders in anticipation of a surplus		12	8756
	Transfers out of fund/ parts of fund	Transfer to non-technical account	13	
		Transfer to other funds/parts of funds	14	
	Net transfer out of funds/parts of funds (13+14)		15	
	Total (11+12+15)		16	31051777
	Mathematical reserves for accumulating with profit policies		17	8696088
	Mathematical reserves for other non linked contracts		18	19158054
	Mathematical reserves for property linked contracts		19	855929
	Mathematical reserves for index linked contracts		20	1259013
	Total (17 to 20)		21	29969084
	Surplus including contingency and other reserves held towards the solvency margin (deficiency) (16-21)		29	1082693
Composition of surplus	Balance of surplus brought forward unappropriated from last valuation		31	
	Transfers into fund/part of fund	Transfer from non-technical account	32	
		Transfer from other funds/parts of fund	33	
	Net transfer into fund/part of fund (32+33)		34	
	Surplus arising since the last valuation		35	1082693
	Total (31+34+35)		39	1082693
Distribution of surplus	Bonus payments made to policyholders in anticipation of a surplus		41	8756
	Allocated to policyholders by way of	Cash bonuses	42	
		Reversionary bonuses	43	752683
		Other bonuses	44	321254
		Premium reductions	45	
	Total allocated to policyholders (41 to 45)		46	1082693
	Net transfer out of fund/part of fund		47	
	Total distributed surplus (46+47)		48	1082693
	Balance of surplus (including contingency and other reserves held towards the solvency margin) carried forward unappropriated		49	
	Total (48+49)		59	1082693
Percentage of distributed surplus allocated to policyholders of fund/part of fund			61	100.00
Corresponding percentage at three immediately previous valuations	Latest	(year of valuation 15 NOV 95 )	62	100.00
	Earlier	(year of valuation 15 NOV 94 )	63	100.00
	Earliest	(year of valuation 15 NOV 93 )	64	100.00

**Long term business : Required minimum margin**

Name of company

**The Standard Life Assurance Company**

## Global business

**Company registration**

GLAIK/CM	Period ended
----------	--------------

Units

Financial year ended  
15th November 1996

[illegible]

## Supplementary accident and sickness insurance : Calculation of required margin of solvency

Name of company **The Standard Life Assurance Company**

Global business

Financial year ended **15th November 1996**

		Company registration number	GL/UK/CM	Period ended			Units	
		R61	Z4	GL	15	11	1996	£000
					day	month	year	
					1			2
					This financial year	Previous year		
Gross premiums written		11	55368			59310		
Premium taxes and levies (included in line 11)		12						
Sub-total A (11-12)		19	55368			59310		
Adjusted Sub-total A if financial year is not a 12 month period to produce an annual figure		21						
Division of Sub-total A (or adjusted Sub-total A if appropriate)	18% of amounts up to sterling equivalent of 10M ECU	22	1514			1407		
	16% of excess (if any) over 10M ECU	23	7513			8239		
Sub-total B (22+23)		29	9027			9646		
Claims paid		31	43067			42408		
Claims outstanding carried forward at end of this financial year		32	6930			7077		
Claims outstanding brought forward at beginning of this financial year		33	6698			6874		
Sub-total C (31+32-33)		39	43299			42611		
Amounts recoverable from reinsurers in respect of claims included in sub-total C		41						
Sub-total D (39-41)		49	43299			42611		
Required margin of solvency for supplementary accident and sickness insurance: Sub-total B x Sub-total D (or, if 0.5 is greater, x 0.5) Sub-total C		59	9027			9646		

Returns under Insurance Companies Legislation

Covering sheet to Schedule 4

Name of company        THE STANDARD LIFE ASSURANCE COMPANY

Financial year ended    15 November 1996

  
..... I C LUMSDEN                      Appointed Actuary

NOTES TO SCHEDULE 4

Name of company THE STANDARD LIFE ASSURANCE COMPANY

Financial year ended 15 November 1996

**4601 Total number of group contracts in force**

United Kingdom - non-linked	10,598
United Kingdom - linked	5,460
Republic of Ireland - non-linked	601
Republic of Ireland - linked	366
Canada - non-linked	12,641
Canada - linked	1,083

**4602 Double counting of contracts**

The number of contracts shown in force at the end of the year exceeds the actual number by the following -

United Kingdom

Life Assurance and General Annuity	1,574,477
Pension Business	558,287
Group Contracts	7,840

Republic of Ireland

Life Assurance & General Annuity	20,885
Permanent Health	556
Group Contracts	325

Germany

Permanent Health	4,297
------------------	-------

Canada

Life Assurance & General Annuity	136,995
Group Contracts	6,640

NOTES TO SCHEDULE 4 - continued

**4603 Treatment of variable premium contracts**

Certain premiums which were classified as "annual premiums" in 1995 have been reclassified as "recurrent single premiums" and therefore are not shown in this year's Form 46.

As a result the closing annual premium figures reported in line 12 of the 1995 Returns will differ from the corresponding opening figures reported this year. The relevant amounts are:

United Kingdom - Pension Business

Non-linked	£ 286,000
Linked	£ 219,000

**4604 Index linked contracts**

Index linked contracts which were classified as "Non-Linked" business in 1995 have been reclassified as "Linked" business in 1996.

**4701 Double counting of contracts**

The number of contracts shown in Form 47 exceeds the actual number by the following -

United Kingdom

Life Assurance & General Annuity	53,497
Pension Business	63,943

Republic of Ireland

Life Assurance & General Annuity	1,062
Permanent Health	83

Canada

Life Assurance & General Annuity	6,468
Permanent Health	1,074

Germany

Permanent Health	4,301
------------------	-------



NOTES TO SCHEDULE 4 - continued

**4801 Accrued interest**

The amount of accrued interest from Form 13 (line 84) included in Form 48, column 1 is as follows:

	£'000
Line 12	184,419
Line 13	75,225
Line 14	219
Line 15	Nil

**4802 Treatment of expected income where interest in default**

Expected income from admissible assets not held to match linked liabilities is stated net of provision against any expected income where the payment of interest is in default. The amount of interest provided against was £6.4 million.

**4901 Securities redeemable over a period at the option of the guarantor or issuer**

Where securities were redeemable over a period at the option of the guarantor or issuer and:

(a) if the price at 15 November 1996 was higher than the final redemption value then the securities were classified on the assumption that they will be redeemed on the earlier redemption date, whereas

(b) if the price at 15 November 1996 was lower than the final redemption value then the securities were classified on the assumption that they will be redeemed on the later redemption date.

**5101 Double counting of contracts**

The number of contracts shown in Form 51 exceeds the actual number by 1,687,462.

1,100 Canadian life assurance and general annuity business contracts appear in both Forms 51 and 53.

69 UK pension business contracts and 105 Canadian life assurance and general annuity business contracts appear in both Forms 51 and 54.

**5102 Column 2**

Where two rates of interest are shown, the first applies to pre-vesting and the second to post-vesting.

NOTES TO SCHEDULE 4 - continued

**5201 Double counting of contracts**

166,700 UK life assurance and general annuity business contracts, 508,227 UK pension business contracts and 4,833 Republic of Ireland life assurance and general annuity business contracts appear in both Forms 52 and 53.

**5301 Column 6**

For annuity contracts the entry in column 6 refers to the amount of annuity payable per annum.

**5302 Category of unit link**

The categories of unit link referred to are as follows:

FUND 1	internal funds
FUND 2	the Unit Endowment Fund

**5401 Double counting of contracts**

The number of contracts shown in Form 54 exceeds the actual number by 375.

**5402 Column 6**

For annuity contracts the entry in column 6 refers to the amount of annuity payable per annum.

**5403 Name of index link**

The name of index links referred to are as follows:

INDEX 1	United Kingdom General Index of National Average Earnings
INDEX 2	Toronto Stock Exchange 100 Price Index
INDEX 3	Standard and Poor's 500 Price Index
INDEX 4	Scotia McLeod Universe Bond Index
INDEX 5	Canadian Consumer Prices Index

NOTES TO SCHEDULE 4 - continued

**5601 Name of index link**

The name of index links referred to are as follows:

INDEX 1	United Kingdom General Index of National Average Earnings
INDEX 2	Toronto Stock Exchange 100 Price Index
INDEX 3	Standard and Poor's 500 Price Index
INDEX 4	Scotia McLeod Universe Bond Index
INDEX 5	Canadian Consumer Prices Index

**5701 Changes to notional allocation of assets under resilience scenario**

When investigating the resilience position for the category of liability shown on Sheet 1, a higher proportion of Fixed interest securities: Approved securities, Fixed interest securities: Other, All other assets: Not producing income, and a lower proportion of Land and buildings, Equity shares, and All other assets: Producing income, were notionally allocated to back the liabilities.

When investigating the resilience position for the category of liability shown on Sheet 2, a higher proportion of All other assets: Producing income, All other assets: Not producing income, and a lower proportion of Land and buildings, Fixed interest securities: Approved securities, Fixed interest securities: Other, and Equity shares, were notionally allocated to back the liabilities.

When investigating the resilience position for the category of liability shown on Sheet 3, a higher proportion of Land and buildings, Fixed interest securities: Approved securities, Fixed interest securities: Other, All other assets: Producing income, All other assets: Not producing income, and a lower proportion of Equity shares, were notionally allocated to back the liabilities.

When investigating the resilience position for the category of liability shown on Sheet 4, a higher proportion of Land and buildings, All other assets: Not producing income, and a lower proportion of Fixed interest securities: Approved securities, Fixed interest securities: Other, Equity shares, and All other assets: Producing income, were notionally allocated to back the liabilities.

When investigating the resilience position for the category of liability shown on Sheet 5, a higher proportion of Land and buildings, All other assets: Producing income, All other assets: Not producing income, and a lower proportion of Fixed interest securities: Approved securities, Fixed interest securities: Other, and Equity shares, were notionally allocated to back the liabilities.

When investigating the resilience position for the category of liability shown on Sheet 6, a higher proportion of Land and buildings, Fixed interest securities: Other, Loans secured by mortgages, and a lower proportion of Fixed interest securities: Approved securities, and All other assets: Producing income, were notionally allocated to back the liabilities.

NOTES TO SCHEDULE 4 - continued

**5702 Contracts covered in balance form**

The following non-linked contracts are covered in the Balance Form 57:

- all Irish business
- all German business
- all Canadian business excluding non profit life assurance and annuity business valued at 6.25%
- UK with profits life assurance and general annuity business valued at 0%, 4% or 6.75%
- UK non profit life assurance and general annuity business
- UK non profit pensions business valued at 0% or 6.25%
- UK permanent health business.

Returns under Insurance Companies Legislation

STATEMENT OF INFORMATION ON THE APPOINTED ACTUARY

Name of company            THE STANDARD LIFE ASSURANCE COMPANY

Financial year ended      15 November 1996

The Company has requested the Appointed Actuary to furnish the following particulars in respect of the year to 15 November 1996.

- a) Mr Lumsden did not have any shares in the Company.
- b) Mr Lumsden had a total of eight individual contracts in force with the Company, for a total sum assured of £40,730, reversionary bonus of £23,449 and a total annual premium of £775. In addition Mr Lumsden has a Personal Equity Plan in which he has invested £30,000. His spouse had two contracts for single premiums of £149,450. In addition Mrs Lumsden has a Personal Equity Plan in which she has invested £30,000.
- c) Mr Lumsden's total remuneration in respect of the financial year ending 15th November 1996 was £249,330 including benefits in kind.
- d) Mr Lumsden was a member of the Standard Life Pension Scheme which entitled him to specified benefits in common with all other eligible employees of the Company.

Mr Lumsden had no other pecuniary interest in the Company.

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 6

PART 1

DIRECTORS' CERTIFICATE

We certify that -

1.
  - (a) in relation to the part of this return comprising Forms 9 to 17, 40 to 45 and the statements required by regulations 23 and 24 of the Insurance Companies (Accounts and Statements) Regulations 1996 that -
    - (i) the return has been prepared in accordance with the Regulations;
    - (ii) proper accounting records have been maintained and adequate information has been obtained by the Company; and
    - (iii) an appropriate system of control has been established and maintained by the Company over its transactions and records;
  - (b) in respect of the Company's business which is not excluded by regulation 32 of the Insurance Companies Regulations 1994, the assets held throughout the financial year in question enabled the Company to comply with regulations 27 to 31 (matching and localisation) of those Regulations; and
  - (c) in relation to the statement required by regulation 31 of the Insurance Companies (Accounts and Statements) Regulations 1996 -
    - (i) for the purpose of preparing the statement, proper accounts and records have been maintained; and
    - (ii) the information given has been ascertained in conformity with that regulation.
2. the required margin of solvency has been maintained throughout the financial year in question.
3.
  - (a) any amount payable from or receivable by the long term business fund in respect of services rendered by or to any other business carried on by the Company or by a person who, for the purposes of section 31 of the Insurance Companies Act 1982, is connected with the Company or is a subordinate company of the Company has been determined and where appropriate apportioned on terms which are believed to be no less than fair to that fund, and any exchange of assets representing the fund for other assets of the Company has been made at fair market value;
  - (b) all guarantees given by the Company of the performance by a related company which would fall to be met by the long term business fund have been disclosed in the return;

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 6 - continued

PART 1 - continued

DIRECTORS' CERTIFICATE - continued

- (c) in respect of internal linked funds maintained by the Company, the investment policy and practice of the Company was during the financial year in question consistent with any representations made to policyholders or potential policyholders of the Company;
- (d) the return in respect of long term business is not distorted by agreements between the Company and any other company carrying on insurance business with which it has financial, commercial or administrative links, or by any arrangements which could affect the apportionment of expenses and income; and
- (e) the Company has fully complied with the requirements of section 31A of the Insurance Companies Act 1982.

4.

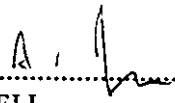
- (a) the systems of control established and maintained by the Company in respect of its business complied, at the end of the financial year in question, with the following published guidance:

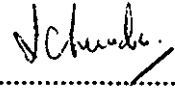
- Prudential guidance note 1994/6 - "Systems of control over the investments (and counterparty exposure) of insurance companies with particular reference to the use of derivatives"
- "Money Laundering - Guidance notes for insurance and retail products" (revised February 1995) issued by the Joint Money Laundering Steering Group,

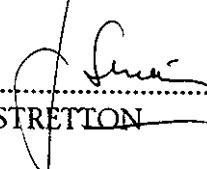
and it is reasonable to believe that those systems continued to so comply subsequently and will continue to so comply in future; and

- (b) the return has been prepared in accordance with the following published guidance:

- Prudential guidance note 1995/1 - "Guidance for insurance companies and auditors on the valuation of assets regulations"
- Prudential guidance note 1995/3 - "The use of derivative contracts in insurance funds"
- Prudential guidance note 1996/3 - "The preparation of annual returns to the Department of Trade and Industry".

 ..... Group Managing Director  
A S BELL

 ..... Director  
I C LUMSDEN

 ..... Director  
J STRETTON

THE STANDARD LIFE ASSURANCE COMPANY

SCHEDULE 6 - continued

PART II

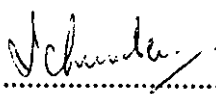
APPOINTED ACTUARY'S CERTIFICATE

I certify that -

(a)

- (i) in my opinion proper records have been kept by the Company adequate for the purpose of the valuation of the liabilities of its long term business;
- (ii) the sum of the mathematical reserves and the deposits received from reinsurers as shown in Form 14 constitutes proper provision at the end of the financial year in question for the long term liabilities (including all liabilities arising from deposit back arrangements, but excluding other liabilities which had fallen due before the end of the financial year) including any increase in those liabilities arising from the distribution of surplus as a result of the investigation as at that date into the financial condition of the long term business;
- (iii) for the purposes of (ii) above, the liabilities have been assessed in accordance with Part IX of the Insurance Companies Regulations 1994 in the context of assets valued in accordance with Part VIII of those Regulations, as shown in Form 13;
- (iv) the guidance notes "Actuaries and Long-Term Insurance Business (GN1)" and "Additional Guidance for Appointed Actuaries (GN8)" issued by the Institute and Faculty of Actuaries dated 1 September 1996 have been complied with;
- (v) in my opinion, premiums for contracts entered into during the financial year and the income earned thereon are sufficient, on reasonable actuarial assumptions, and taking into account the other financial resources of the Company that are available for the purpose, to enable the company to meet its commitments in respect of those contracts and, in particular, to establish adequate mathematical reserves; and

- (b) the amount of the required minimum margin applicable to the Company's long term business immediately following the end of the financial year in question (including the amount resulting from the increase in liabilities arising from the distribution of surplus as a result of the investigation into the financial condition of the long term business) was £1,316,045,000.

  
..... Appointed Actuary  
I C LUMSDEN



# THE STANDARD LIFE ASSURANCE COMPANY

## SCHEDULE 6 - continued

### PART III

Report of the Auditors to the Secretary of State for Trade  
and Industry Pursuant to Regulation 29 of the Insurance  
Companies (Accounts and Statements) Regulations 1996.

#### Financial Year Ended 15 November 1996

We have audited the documents prepared by the company pursuant to section 17 of the Insurance Companies Act 1982 ("the Act") which are required to be audited by regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1996 ("the Regulations") as modified by an Order issued by the Secretary of State on 14 April 1997. These comprise Forms 9,10,13 to 17 and 40 to 45, and the related supplementary notes, and the directors' certificate signed in accordance with regulation 28(a) ("the certificate"). In the case of the certificate, our audit did not extend to:

- (a) paragraph 1 of Schedule 6 of the Regulations in relation to the statements required by regulations 24 and 31;
- (b) paragraph 4(d) of Schedule 6 of the Regulations; and
- (c) paragraph 5(a) of Schedule 6 of the Regulations in relation to compliance with Money Laundering - Guidance for Insurance and Retail products.

#### Respective responsibilities of the company and its auditors

The company is responsible for the preparation of returns under the provisions of the Act and the Regulations. It is our responsibility to form an independent opinion, based on our audit, on those parts of the returns which are subject to audit by virtue of regulation 29 and to report our opinion to you. The normal requirements of the regulations have been modified by an Order issued by the Secretary of State on 14 April 1997.

#### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the documents specified by regulation 29. It also includes an assessment on the significant estimates and judgements made by the company in the preparation of the documents specified by regulation 29.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the documents specified by regulation 29 are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have also evaluated whether the documents had been prepared in the manner specified by the Regulations (as modified) and fairly stated the information provided on the basis required.

In giving our opinion we have relied on:-

- (a) the certificate of the actuary with respect to the mathematical reserves and the required minimum margin; and
- (b) the identity and value of implicit items as they have been admitted in accordance with regulation 23(4) of the Insurance Companies Regulation 1994.

### Opinion

In our opinion:

- (a) the Forms, statement and supplementary notes have been properly prepared in accordance with the provisions of the Regulations (as modified); and
- (b) according to the information and explanations received by us:
  - (i) the certificate has been properly prepared in accordance with the provisions of the Regulations; and
  - (ii) it was not unreasonable for the persons giving the certificate to have made the statements therein.



PRICE WATERHOUSE  
Registered Auditors  
Date 12 May 1997

Albany House  
58 Albany Street  
Edinburgh EH1 3QR

Note: The Order issued by the Secretary of State on 14 April 1997 referred to in this report has the effect of removing from the scope of the audit, the statement required by paragraph 4(d) of Schedule 6 to the Regulations and the statement required by paragraph 5 thereof in so far as it relates to any published guidance in respect of money laundering.