

Onshore Bond

At a glance

Provided by Aviva Life & Pensions UK Limited

February 2025

Minimum/Maximum Investment	<p>£10,000 minimum with no maximum.</p> <p>Except for:</p> <p>Smooth Managed Funds: in most cases the maximum that can be invested into any Smooth Managed Fund is £1 million. If you want to invest more than this, please contact us.</p> <p>Additional Investments of at least £1,000 at any time.</p>
Age Limits	<p>Policyholders must be 18 or over.</p> <p>The maximum age of a life assured is 89. This applies to the youngest life assured where there are multiple (up to 10).</p>
Allocation Rates	100% allocation rate.
Number of Segments	The Onshore Bond is initially set up with 1,000 identical segments.
Fund Range	Access to over 6,000 OEICs and authorised Unit Trusts, with a range of asset classes and sectors, including Model Portfolios. Onshore Bond also has access to two Smooth Managed Funds.
Smooth Managed Fund Range	Designed to deliver growth over the medium to long term, employing a 'smoothing' process. The Fund Management Charge is 0.58% per year.
Death Benefit	The amount payable is 101% of the value of the fund, less any outstanding charges.
Switching	<p>Unlimited free switching. There may be restrictions on switches from certain funds.</p> <p>Online switching is available. Switches in and out of any Smooth Managed Fund are limited to one switch in each calendar quarter (1 January - 31 March, 1 April - 30 June, 1 July - 30 September, 1 October - 31 December)</p>
Early Exit Charges	No Early Exit Charges.
Regular Withdrawals	<p>May be payable monthly, quarterly, half-yearly or yearly, subject to a minimum of £25.</p> <p>The regular withdrawal can be taken on the 1st, 7th, 14th, 21st or 28th of the month.</p> <p>The withdrawal can be taken from specific funds or pro rata across all funds.</p> <p>Up to 5% a year of the total amount invested into the bond can be withdrawn with no immediate liability to any extra income tax (5% tax deferred allowance).</p>
One-Off Withdrawals	These can be taken at any time by closing a specific number of segments or by selecting a specific monetary amount and canceling units proportionally across all funds.
Income	Income may include distributions from funds and reclaims of UK income tax where appropriate. Any income arising will be reinvested into the Onshore Bond.

Charges	<p>Annual Aviva Charge: we charge 0.25% for the first £400,000 and 0.15% for anything above £400,000.</p> <p>All funds have a fund management charge and there may also be a Fund Management Expense Charge (FMEC), see Investment Centre for details.</p> <p>Discretionary Investment Managers will apply a Discretionary Investment Model Charge to access their model portfolio. This charge is classed as a Regular Withdrawal and counts towards the 5% tax deferred allowance.</p> <p>There is a charge in respect of tax - see Tax section below.</p>
Adviser Remuneration	<p>Adviser Charging - we can facilitate initial, ongoing and single advice charges as a monetary amount or a percentage of the fund value. Ongoing Adviser Charges are classed as Regular Withdrawals and count towards the 5% tax deferred allowance.</p>
Tax	<p>We take a charge in respect of tax on the income and capital gains arising on the investments we make on your client's behalf in their chosen funds. Clients may be liable to income tax when they withdraw money if they are a higher or additional rate tax payer or the gain on the Onshore Bond makes them a higher or additional rate tax payer.</p>
Transactional Cash	<p>To be used for transactions such as fees, charges and switching. No interest will apply on the transactional cash account. Transactional cash cannot be selected as an asset but may be part of Model Portfolios, run by Discretionary Fund Managers.</p>

Please remember that the value of your client's investment can go down as well as up. They may get back less than they originally invested.

Talk to us today

For more information about Onshore Bond, speak to your Aviva consultant.

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