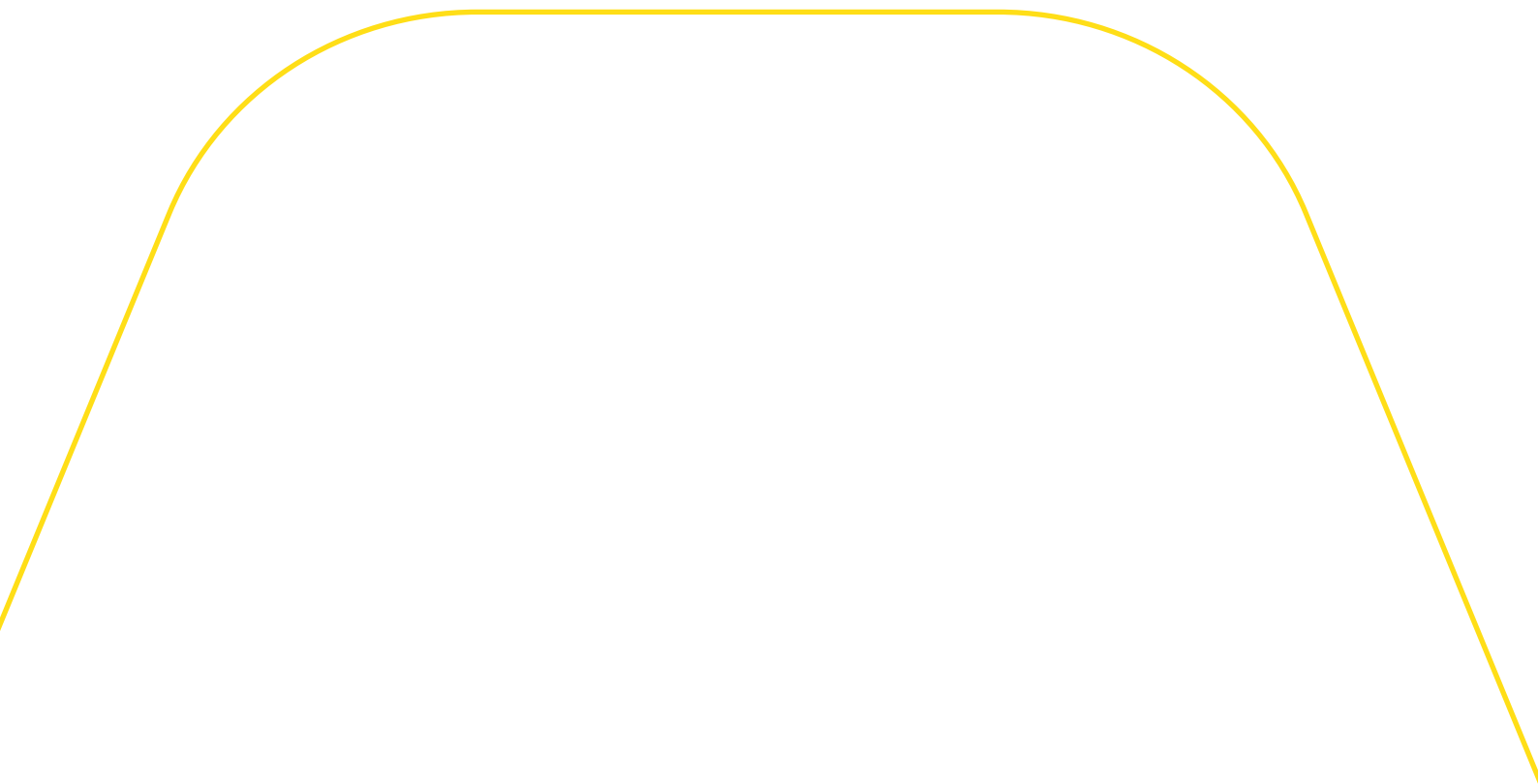


Key features of the Immediate Life Annuity



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You'll read references to 'us' or 'we'. This means Aviva Life & Pensions UK Limited, the provider of your plan. Any reference to 'plan' means your plan or policy.

Helping you decide

The Financial Conduct Authority is a financial services regulator. It requires us, Aviva Life & Pensions UK Limited, to give you this important information to help you to decide whether our Immediate Life Annuity is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

The purpose of this document is to help you to make an informed decision. However, we recommend that you seek professional financial advice before you make any decisions about this plan.

Please read this document with your illustration so that you understand what you're buying. The illustration will give you an idea of what you may receive when you retire. You need to be comfortable that you understand the benefits and risks of this plan before deciding whether to buy an Immediate Life Annuity.

Statement of demands and needs

An Immediate Life Annuity takes a one-off payment and turns it into a guaranteed income for the rest of up to two annuitants' lives. Either one or two policyholders will be paid regularly and will pay income tax on the money they receive.

It's bought with your own money and age restrictions apply.

You should also read and keep safe:

- the terms and conditions
- the policy schedule

Please contact us using the '**Get in touch**' details on **page 16** if you haven't received any of the above.

What is the Immediate Life Annuity?

The Immediate Life Annuity provides you, the policyholder (or policyholders, if there are two), with an income for the rest of the annuitant's life (or annuitants' lives, if there are two). The annuitant(s) can be the same as the policyholder(s), or different.

Is this plan right for me?

- This plan might be right for you if:
 - you're between age 55 and 95
 - you want a guaranteed regular income for the rest of your life
 - you're ready to make a once and for all decision about the income you take in retirement.

Its aims

- To pay you a guaranteed regular income for the rest of your life.
- If there are two annuitants, the income continues as long as either of them survive.

Your commitment

- To invest at least £7,500 as a one-off payment at the start of the policy, after all deductions of any adviser charges (or £100,000 if purchased by trustees of a will or settlement after all deduction of any adviser charges).
- It can be bought with savings, investments, an inheritance or the tax-free lump sum maturing from a pension scheme.
- It can't be money you've received as pension income.
- The annuitant(s) should be aged between 55 and 95. Where there are two annuitants, both must be at least 55, but only one of them needs to be under 95.
- To make a once and for all decision about the kind of income you want from the money invested, as you won't be able to make any changes once the policy has started.

You should consider seeking financial advice before buying an Immediate Life Annuity.

The income you receive from it could affect your entitlement to means-tested state benefits.

It's important to shop around for the best deal for you. It's possible that you could get a higher income from another provider.

Risks

- Once an Immediate Life Annuity is set up, you can't change it, cash it in, or defer payments, even if your personal circumstances change.
- Inflation will reduce what your money can buy in the future.
- There's no protection against inflation unless you choose an Immediate Life Annuity that increases each year. This could still mean that inflation increases at a higher rate than your income.
- If the annuitant(s) die in the early years, the total Immediate Life Annuity payments you've received may be less than the money used to buy it.
- This plan only provides benefits as set out in the policy schedule. Please see the section on death benefits to understand how deaths affect the payments due.
- Annuity rates may change after you've submitted your application. This means the income quoted could change between us providing you with an illustration and you taking out your annuity. If this happens and the income you would receive has reduced, we'll contact you.

Questions and answers

Options and benefits

How do you calculate my income?

The amount of income you get from your Immediate Life Annuity will depend on a number of things when you set up your plan, including:

- the age of the annuitant(s)
- annuity rates at the time
- the amount of the single payment.
- any choices you make about your income.

What income options do you offer?

You can choose combinations of the below options. You can ask for illustrations with different options to see the difference they would make to your income.

- Guarantee payment periods;
 - This annuity has a one year guarantee as standard, This means that if the annuitant(s) die(s) we may continue to pay an income to the policyholder(s) or their estate until the end of the first year. However, the annuity can provide a smaller income that's guaranteed for up to 10 years, even if all annuitants die during that time.

For more information about this option, please see the **'What is a guarantee period?'** section of this document.

- Value protection;
 - This annuity has value protection as standard for 90 days from the start of the plan. However you can choose to take a smaller income where value protection is extended beyond 90 days.
 - You can choose at the outset whether you wish to extend the value protection for the remainder of your life or for a specified term from the plan start date.

For more information about this option, please see the **'What is value protection?'** section of this document.

- Payment Increases
 - You can choose to take a smaller income at the start, which will normally increase each year. This can increase by 0.5% up to 5% (in increments of 0.5%).
 - If there are two annuitants, the income can reduce when one of them dies. This reduction can be up to 50%.
 - You don't have to take any options and can choose to take an income that stays the same and stops when you die.
 - if there are two annuitants, the income can reduce when one of them dies. This reduction can be up to 50%.

What is value protection?

- Aviva offers value protection as standard for 90 days from your plan start date. If all annuitants die within this period, it pays a lump sum to the policyholder, or their estate if they have died. The lump sum will be equivalent to the price paid for your annuity, less any payments already made. This lump sum will replace any guaranteed period payments.
- You have the option to extend your value protection beyond the standard 90 day period by choosing this option on your illustration, this is known as optional value protection. You can choose to protect up to 100% of the price paid for your annuity, less any payments already made. This can be either for the rest of your life or for a specified term beginning at your plan start date.
- Optional value protection will pay a lump sum when all annuitants die. If you choose to extend your value protection beyond the standard 90 day period then the standard one year guarantee period will no longer apply.

What is a guarantee period?

- A guarantee period is a period when the income you set up for yourself will continue to be paid even if you die. Any remaining payments due within the guarantee period will normally be paid as set out in your will and form part of your estate.
- This annuity usually has a one-year guarantee period as standard.
- You can choose a longer guarantee period of up to 10 years.
- If all annuitants die after 90 days but within your guarantee period, we'll continue to make annuity payments to the policyholder(s) or the estate of the last policyholder to die until the end of that period.
- If you choose optional value protection, the standard one year guarantee period will no longer apply.

How is my annuity paid?

The policyholder(s) own(s) the policy and all payment which come from it, in whatever form. If the policy is owned jointly by two people, the benefits belong equally to them during their joint lifetime.

We will pay the annuity income directly to the policyholder(s) after deducting any tax due.

Guarantees and any increases apply to your annuity income before tax.

We normally pay annuities by direct credit to the policyholder(s) bank or building society account. You can select the frequency of annuities to be paid monthly, quarterly, half yearly or yearly. These choices will affect the amount of income paid.

You can choose combinations of these options.

You can ask for illustrations with different options to see the difference they would make to your income.

Please contact us using the details you've been provided or on '**Get in touch**' on **page 16** if you want to find out more.

Charges

What are the charges on my plan?

- We use your one-off payment at the start of the policy to pay our charges for setting up and running your plan. We do this by taking these charges into account when we work out the level of the income.
- The illustration shows how much income your one-off payment will buy. No further charges will be taken from your income.
- The cost of advice is covered within the pricing of the annuity and will be shown on your illustration.
- If we need to rewrite the terms of your Immediate Life Annuity due to any information being incorrect or incomplete, then we'll charge you £40 each time.

Changing your mind

Can I change my mind?

- Yes, as a policyholder, you have 30 days in which to change your mind, beginning from the date that you receive our confirmation that the plan has started.
- If you decide to cancel your annuity we'll refund your one-off payment.
- Where you've asked us to pay an adviser charge and this has already been paid it won't be refunded.
- In order to cancel your Immediate Life Annuity you must:
 - Sign and return the cancellation form within 30 days of receiving it.
 - Return any income payments you've already received from us by cheque payable to Aviva.
 - Post these to the address given on the cancellation form.
- Please contact us using the '**Get in touch**' details on **page 16** if you don't have a cancellation form.
- If the cancellation form isn't returned, your Immediate Life Annuity will continue.

Life events

What happens when a policyholder dies?

- If there's one policyholder and they die, if they're survived by an annuitant, any further income payable forms part of the policyholder's estate.
- If there are joint policyholders and an annuitant survives on the death of the first policyholder, any further income payable will belong entirely to the surviving policyholder. Any remaining income payable on their death forms part of their estate.

What happens when an annuitant dies?

The Immediate Life Annuity payments will end when the annuitant dies, unless:

- There are two annuitants. The income will continue to be paid on the death of the first annuitant. However, this may be reduced if that option was selected.
- All annuitants die within the first 90 days of your plan start date. In which case value protection will apply and a lump sum will be paid to the policyholder or their estate.
- You have chosen to extend your value protection and all annuitants die within the specified term. In which case any remaining value will be paid as a lump sum to the policyholder or their estate.
- All annuitants die after 90 days but within your guarantee period. This could be the standard 1 year or up to 10 years if you have chosen this option. In which case any annuity payments due will be paid to the policyholder or their estate until the end of the guarantee period.
- Benefits are payable to the policyholder or their estate. If there are joint policyholders, they belong to both equally, and to the survivor entirely after the death of the first. Any remaining benefits on the death of the second policyholder (where relevant) form part of their estate.
- **Please see your Terms and Conditions for more details.**

Taxation

Here is some information based on our interpretation of current tax legislation, which can change. Your tax treatment depends on your main place of residence as advised to us by HMRC and your other individual circumstances.

How will my income be taxed?

If the Immediate Life Annuity is bought with the policyholder's own money, HM Revenue & Customs (HMRC) is likely to agree that each of the payments can be split into two parts:

- a capital part - which is tax-free; and
- an interest part - which is taxable.

We'll deduct tax from the interest part at the basic rate of income tax (see illustration) at the time.

- If the policyholder doesn't pay income tax we may be able to pay the income gross. To do this, let us know and we'll send the necessary declaration form to complete. This doesn't apply if the policyholder is a company or the trustees of a trust (including a will trust).
- If the policyholder does pay tax and they have unused Personal Savings Allowance available, they may be able to reclaim some or all of the tax deducted from HMRC.
- The interest part, before tax, is added to the policyholder's other income for tax purposes to work out how much tax they're ultimately due to pay. This may mean policyholder moving into a higher-rate tax band.
- If HMRC don't agree to us deducting tax from only the interest part, then we'll deduct basic rate tax from the whole of each payment.
- We'll send the policyholder a tax certificate at the end of each tax year. They must declare the interest part on their annual tax return.

- If the policy has joint policyholders, the tax liability is split equally during their joint lifetimes.
- Any payments made to their estate after the policyholder's death may be subject to inheritance tax.
- Please note that we've provided only a general tax summary and individual circumstances may differ.
- Please contact your financial adviser, if you have one, and they can give you more details about your tax position.
- Tax law and practices could change in the future.

You can find more information on tax at [gov.uk/browse/tax](https://www.gov.uk/browse/tax). We strongly recommend you seek financial advice if you think you're affected by tax charges.

Further guidance

Information available to you

- Pension Wise from MoneyHelper is a free, government-backed service offering clear, impartial and specialist guidance on your retirement options. If you're aged 50 or over, this service is available to you. Visit [moneyhelper.org.uk/pensionwise](https://www.moneyhelper.org.uk/pensionwise) or call **0800 138 3944** for full details of the service.
- You should discuss your options with a financial adviser before making a decision. If you don't have one, you can find one at [moneyhelper.org.uk/retirement-adviser-directory](https://www.moneyhelper.org.uk/retirement-adviser-directory). Financial advisers charge for their advice.

How to complain

- If you've taken a product out with Aviva and are unhappy with the product or the service you received, you can contact us using the **'Get in touch'** details on **page 16**.
- We aim to resolve your complaint quickly. If we can resolve your complaint within three working days following the day we receive it, we'll write and confirm this to you, along with your rights to refer your complaint to the Financial Ombudsman Service (FOS).
- If we don't resolve your complaint within three working days of receiving it, we'll;
 - acknowledge your complaint promptly
 - assign a dedicated complaint expert to review your complaint
 - carry out a thorough and impartial investigation
 - keep you updated as to our progress
 - do everything we can to resolve things as quickly as possible; and
 - send you a written response within eight weeks of receiving your complaint. This will tell you the results of the investigation or explain why that's not possible.
- Where we can't resolve your concerns, or have been unable to resolve them within eight weeks, you may be able to ask the FOS to carry out an independent review. Whilst firms are bound by their decisions, you aren't. Contacting the FOS won't affect your legal rights. You can contact them on **0800 023 4567** or visit their website at [financial-ombudsman.org.uk](https://www.financial-ombudsman.org.uk), where you'll find further information.

Solvency and financial condition report

- Every year we publish a Solvency and financial condition report which provides information about our performance, governance, risk profile, solvency and capital management. This report is available for you to read on our website at [aviva.com/investors/regulatory-returns](https://www.aviva.com/investors/regulatory-returns)

Compensation

If you've received advice:

- Qualified advisers will recommend that you buy products suitable for your needs. You have legal rights to compensation if, at any time, it's decided that you've bought a plan, as a result of advice from a qualified adviser, that wasn't suitable for your needs at that time.
- Immediate Life Annuity is covered by the Financial Services Compensation Scheme. If we become insolvent and we can't meet our obligations under this plan, the scheme may cover you for up to 100% of any successful claim you make.
- To find more information about the FSCS, including how to contact them via email and webchat:

Website: [fscs.org.uk](https://www.fscs.org.uk)

Phone: **0800 678 1100** or **0207 741 4100**

Potential conflicts of interest

- There may be times when Aviva Plc group companies or our appointed officers have some form of interest in the business being transacted. If this happens or when we become aware that our interests, or those of our officers, conflict with your interests, we'll take all reasonable steps to manage that conflict of interest. We'll do this in a way that treats all customers fairly and in line with proper standards of business.
- Where despite all efforts to manage a conflict of interest, the conflict of interest can't be prevented, we'll disclose it to you before you commit to taking out this product or taking any investment action in relation to it.
- Further details of our conflicts of interest policy are available on request. Please contact us using the **'Get in touch'** details on **page 16**.

Aviva staff payments

- Aviva staff are salaried and they receive an annual bonus based upon the overall performance of the Aviva Group. Some members of our distribution team may also receive an additional bonus, a proportion of which relates to their sales performance.

Customer status

- Aviva will treat you as a retail client. This means that you have the highest degree of protection available under the Financial Conduct Authority rules. This includes access to complaints and compensation procedures. However you won't be covered for wrong advice unless this product was personally recommended to you by a financial adviser authorised by the Financial Conduct Authority.

Terms and Conditions

- This key features document is a summary of your Immediate Life Annuity. For full details please see your Terms and Conditions.
- If you'd like a copy of the full Terms and Conditions, please ask us.

Law and language

- Aviva and you have a free choice of the law that can apply to a contract. Aviva proposes to choose the law of England and Wales, and by entering into this contract you agree that the law of England and Wales applies. Your contact will be in English and we'll always write and speak to you in English.

Financial advisers

- Where you've received information or advice from a financial adviser they'll provide you with information regarding their identity, the capacity in which they're acting and their address for future communications.

Financial Services registered details

- Aviva Life & Pensions UK Limited is a company limited by shares. It's authorised by the Prudential Regulation Authority and is regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is entered on the Financial Services register, number 185896, register.fca.org.uk

Want to go paperless?

It's easy to go paperless and manage your documents online, meaning you won't have the inconvenience of storing paper copies.

By **registering with MyAviva**, you'll be able to view your documents instantly in your online Document Library instead of waiting to receive them by post.

Here's how - just a few simple steps

Simply log in or register for MyAviva by going to myaviva.co.uk/register or scan the QR code.



Once you've registered and logged into MyAviva, go into 'Your Account', then 'Your Profile', and under 'Preferences' click 'Edit' within the 'Paper or Paperless' box. Then simply choose which documents you'd like to manage online.

Please note, this service is only available to those who can access their documents online through MyAviva. There will be some documents which we always need to send to you by post.

Get in touch

Remember, your financial adviser will normally be your first point of contact.

If you have any questions, you can:



Call us on **08000 686 800**

Monday to Friday 8.30am to 5.30pm

Calls to and from Aviva may be monitored and or recorded.



Email us at contactus@aviva.com



Write to us at **Aviva, PO Box 520,
Surrey Street, Norwich NR1 3WG,
United Kingdom**

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Please get in touch if you'd prefer this Key features document (**AN02001**) in large print, different colour, braille or as audio.

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