

# Key features of the Pension Annuity and the Enhanced Pension Annuity

**For Jersey or Guernsey business only**



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**The Financial Conduct Authority is a financial services regulator. It requires us, Aviva, to give you this important information to help you to decide whether our Pension Annuity or Enhanced Pension Annuity for Jersey or Guernsey business only is right for you. You should read this document carefully so that you understand what you're buying, and then keep it safe for future reference.**

**This key features document gives you the main points of the Pension Annuity plan (the plan). Your illustration shows the pension income you may get. Please read them so you understand what you're buying and keep them with your plan documents.**

**You should seek guidance or financial advice to help you understand your options and decide what's best for you. If you don't have a financial adviser, you can find one at [unbiased.co.uk](http://unbiased.co.uk). An adviser will charge for their services.**

## Its aims

- To pay you a guaranteed income for the rest of your life.
- To pay an income to a dependant when you die, if you choose.

## Your commitment

- To use at least £10,000 of your pension pot to convert into a Pension Annuity (see page 2).
- To use your pension pot to buy a Pension Annuity from us on fixed terms, to last the rest of your life.
- To decide if you want to take a tax-free lump sum.
- To make an irreversible decision about the kind of income you want as you won't be able to make any changes during your lifetime.
- To ensure you answer any medical, personal or lifestyle questions fully, truthfully and accurately to the best of your knowledge. If you fail to do so, your income may be reduced from the enhanced rate to our standard rates. Any overpayments already made may be recovered.
- To tell us if any of the medical details or other information you give us changes between the time you sign the application form and the start of your plan.

## Risks

- You can't change or cash in your Pension Annuity, even if your personal circumstances change.
- If you don't take your entitlement to a tax-free cash sum, before or at the time of converting your pension pot into a pension annuity, you won't be able to take this at a later date.
- If you die in the early years, the total income you've received may be less than the pension pot used to buy the Pension Annuity.
- Remember inflation will reduce what your money can buy in future. There's no protection against inflation unless you choose a Pension Annuity that increases each year. This could still mean that inflation increases at a higher rate than your income.
- A dependant won't have any income from this plan after you die if you haven't arranged for your Pension Annuity to continue.
- If you have provided us with medical information and your doctor is unable to support this information, your annuity income may be reduced to standard rates, unless further medical evidence is provided. We also reserve the right to ask you to repay any overpayments already made.
- Annuity rates may change after you have 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.
- The value of your pension fund can fluctuate so the amount you can use to buy your annuity can change as well.

## Questions and answers

### What is the Pension Annuity for Jersey or Guernsey business only?

- It's a plan that provides you with an income for the rest of your life, bought with your pension pot.
- The amount of income you get from your annuity will depend on your (and your dependant's) health, lifestyle and the options you choose, including whether or not you take a tax-free lump sum. See "What will my income be?" below for more information.
- You may be able to take a tax-free cash sum, payable by the previous pension provider. Your financial adviser will be able to give you more details.
- It can provide a dependant with an income when you die, should you choose this option.
- You can normally buy a Pension Annuity or Enhanced Pension Annuity if you're at least age 50 and not older than 75.

### How flexible is it?

- Before your plan is set up, you can choose its basis and how it's paid.
- You'll need to have taken any tax-free cash sum (if applicable) from your previous pension plan before using the rest of your fund to buy the Pension Annuity. We'll not accept full fund transfers from Jersey or Guernsey approved pension schemes.
- If funds from more than one approved pension scheme or personal pension plan are being used to buy a Pension Annuity, we'll set up individual policies once the final fund has been received. The start date and annuity rate of each individual policy will be determined by the date the last funds are received.
- You can find details of the choices you can make when setting up the plan, under the headings:
  - What will my income be? (below)
  - What choices will I have about how I get my Pension Annuity? (page 4)
- Once the plan is set up, you can't change or cash in your plan or defer payments made to you from your Pension Annuity.
- Before you make a decision, make sure you shop around for the best deal for you as it's possible you could get a higher income elsewhere. The minimum pension pot needed to buy an annuity could differ between providers so you should also consider this before making your decision and discuss your options with a financial adviser.

### What will my income be?

- Along with this key features document you'll find an illustration showing how much income you can expect at the chosen benefit date.
- When we work out the amount of income you'll get from your Pension Annuity, we take a number of factors into account, which may include:
  - your age
  - your postcode
  - your marital status
  - your health/lifestyle
  - the size of your pension pot

- interest rates at the time
- the adviser you choose
- any choices you make about your income (see below).

If your annuity is purchased using funds from an occupational pension scheme, the trustees and/or scheme rules may limit the choices available to you.

### What income options do I have?

- You don't have to take any of the income options we've listed below. You can choose to take an income which stays the same and stops when you die.
- You can choose to take a smaller income at the start, so that an income is paid to a dependant if you die before them.
- If an income is to be paid to a dependant after you die, we can take account of their health, when deciding the amount of income they'll receive. We can do so even if you're healthy at the start of the plan.
- In some cases, you (or your scheme trustees on your behalf) can choose to take a smaller income that is guaranteed for a certain period. This means that if you die we may continue to pay an income to your estate for the guarantee period. Aviva offers a minimum one year guaranteed period as standard. Occupational schemes in both Jersey and Guernsey set the limit on the guaranteed period in their rules. If your annuity is purchased from a Jersey Retirement Annuity Contract the guaranteed period can be up to 10 years. The maximum guaranteed period Aviva will provide on a Guernsey-based annuity is 5 years.
- You can choose to take a smaller income at the start, which will increase each year. If an income from your Pension Annuity is to be paid to a dependant after you die, this will increase in the same way.
- You can choose to have increases at a fixed rate up to 5% per year.
- You can choose combinations of these options. By asking for illustrations with different options (from us or your financial adviser), you'll be able to see the difference it would make to your income.
- If you're taking a Pension Annuity in Jersey or Guernsey using the pension pot belonging to your spouse/civil partner (Jersey only), or person you were dependent on following their death
  - an income for your dependants is not available
  - a guarantee period of income is not available.
- While you're alive we won't stop or reduce the payments we make to you based on the options you've chosen.

### Could I get a higher income?

- If you (or your dependant, if appropriate) have or have previously suffered from cancer, a heart attack, a stroke, have diabetes or any other serious medical condition that could shorten your life expectancy, you may qualify for a higher income. Not all forms of these conditions will qualify.

### Will I have to attend a medical examination?

- We may ask you or your dependant, if appropriate, to complete a health questionnaire. We may also ask your doctor for a medical report.
- It's your responsibility to provide us with accurate information about your health and lifestyle.

- We may request your permission to approach your doctor or ask you to carry out a medical test to confirm that the information you have provided is correct. If you refuse permission to approach your doctor or to take the test, or if the test proves that incorrect information has been given, we may reduce your retirement income payments or recover any payments already made.

### What choices will I have about how I get my Pension Annuity?

- You can choose how often you'll receive your Pension Annuity income. This can be monthly, quarterly, half-yearly or yearly.
- You can choose whether the income is paid at the beginning or end of the payment period.
- For monthly payments, you can choose the day of the month that we make payments. This can be any day up to the 28th of the month.
- These choices will affect the amount of income you'll get.
- Your income will be paid directly into your UK, Jersey or Guernsey bank or building society account. We are able to make direct credit payments to Jersey, Guernsey and some overseas banks, or your payments will be issued in the form of a sterling cheque, either directly to a bank or your home address.

### What happens to my Pension Annuity when I die?

- Your Pension Annuity will end when you die unless:
  - an income is to be paid to a dependant and they are still alive.
  - you die after your policy start date and within your guarantee period.

Please see your Pension Annuity (or Enhanced Pension Annuity) terms and conditions or, if you have a financial adviser, contact them for further information and exclusions which may apply to the above.

### What are the charges?

- Our charges for setting up and running your plan are taken into account when we work out the price of the income.
- Your illustration shows how much income the fund will buy. No further charges will be taken from your income.
- The cost of advice is covered within the pricing of the Pension Annuity and will be shown on your illustration.
- If we need to rewrite the terms of your Pension Annuity or Enhanced Pension Annuity due to any information being incorrect or incomplete, then we will charge you £40 each time.

### What about tax?

- We've included only a general tax summary in this document; tax treatment depends on your individual circumstances.
- We've based this information on our current interpretation of tax rules. These rules may be subject to change in the future.
- If you have a financial adviser, contact them for more details about your tax position.
- Where applicable, Aviva has to deduct tax from your income and send this on to the appropriate tax authorities shown below.
- The method of taxation varies according to the type of benefit you receive.

If you have any queries about tax, you can get help by contacting the organisations below (based on your location):

**Jersey**  
**The Comptroller of Revenue**  
**P.O. Box 56,**  
**Cyril Le Marquand House,**  
**St Helier,**  
**Jersey,**  
**JE4 8PF**

A tax certificate will be issued by the Comptroller at the end of each tax year. If you cease to be a resident in Jersey, you must inform Aviva immediately, as this will change the method of taxation applied to your annuity.

**Guernsey**  
**Revenue service**  
**P.O. Box 37**  
**St Peter Port,**  
**Guernsey,**  
**GY1 3AZ**

If your payment is taxable under the Employees Tax Installment Scheme (ETIS) procedure, a tax certificate will be sent to you by the Revenue Service each January, April, July and October detailing the payments made in the previous 3 months. If your benefits are taxable under any other method, a tax certificate will be issued at the end of each tax year. If you cease to be resident in Guernsey you must inform Aviva immediately, as this will change the method of taxation applied to your annuity.

### Can I change my mind?

- You have the option to cancel your Pension Annuity (including Enhanced Pension Annuity) for Jersey & Guernsey business:
  - At any point before your annuity plan starts, or
  - Up to 30 days from the date that you receive our confirmation that your annuity plan has started.
- You must use the pension fund to buy another product that provides you with an income in retirement either from us or another provider.
- If you want to cancel your application for a Pension Annuity (including Enhanced Pension Annuity) for Jersey & Guernsey business before the plan has started, please contact us using the contact details on page 5.
- In order to cancel the annuity plan after it has started, you must:
  - Sign and return the cancellation form within the 30 day period, which you can find at the back of your illustration.
  - Return within the 30 day period any income payments we may have already paid within the 30 day period, by BACS or cheque made payable to Aviva. Please post this to the address given on page 5 under the How to contact us section.
  - Gain agreement from another insurance company that they're willing to accept the pension fund so that they can provide you with an income in retirement.
- Where you've asked us to pay an adviser charge and this has already been paid it will not be refunded.
- If the cancellation form is not returned within the 30 day period, the annuity plan will continue.

## How to contact us

Remember your financial adviser, if you have one, will normally be your first point of contact. They'll have provided you with information that contains their contact details.

If you've any questions at any time, you can phone, email or write to us.

Call us on **0800 068 6800**

**Monday to Friday 8.00 to 20.00,  
Saturday 8.30 to 17.00 and  
Sunday 10:00 to 16:00.**

Outside of these hours you can use the same number and leave a message on our answer-phone.

We may monitor calls to improve our service.

**E-mail: [contactus@aviva.com](mailto:contactus@aviva.com)**

Office address

**Aviva  
Annuity Contact Centre  
PO Box 520  
Norwich  
NR1 3WG**

## Other information

### 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 at:

**Aviva  
Customer Relations  
PO Box 3182  
Norwich  
NR1 3XE  
  
Telephone number: 0800 068 6800  
Email: [contactus@aviva.com](mailto:contactus@aviva.com)  
We may monitor calls to improve our service.**

If you're not satisfied with our response, you may be able to take your complaint to the Financial Ombudsman Service depending on where you received advice or purchased the Pension Annuity or Enhanced Pension Annuity or your place of residence.

The Financial Ombudsman Service can look at most complaints and is free to use. You don't have to accept their decision and will still have the right to take legal action.

#### Jersey

The Channel Islands Financial Ombudsman can look at complaints against a regulated financial services business operating in/or from Jersey.

#### Guernsey

The Channel Islands Financial Ombudsman can also look at complaints against a regulated financial services business operating in/or from Guernsey, this would cover complaints against your adviser.

Their contact details are:

**Channel Islands Financial Ombudsman  
PO Box 114  
Jersey  
Channel Islands  
JE4 9QG  
  
Telephone (Jersey local): 01534 748610  
Telephone (Guernsey local): 01481 722218  
Email: [complaints@ci-fo.org](mailto:complaints@ci-fo.org)  
Website: [ci-fo.org](http://ci-fo.org)**

If you are in Guernsey and your complaint is about Aviva, then the Financial Ombudsman Service may be able to help.

Their contact details are:

**The Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange  
London  
E14 9SR  
  
Telephone: 0800 023 4567  
Email: [complaint.info@financial-ombudsman.org](mailto:complaint.info@financial-ombudsman.org)  
Website: [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk)**

The Financial Ombudsman Service normally can't consider your complaint until you've received a final response from us. This doesn't affect your right to take legal proceedings.

### Terms and Conditions

This key features document gives a summary of Aviva's Pension Annuity and Enhanced Pension Annuity. It doesn't include all the terms and conditions. These are in the plan booklet. If you would like a copy, please ask your financial adviser or contact us direct.

### Law and language

The plan is governed by the law of England. Your contract will be in English and we will always write and speak to you in English.

We're regulated by the Financial Conduct Authority:

**The Financial Conduct Authority,  
12 Endeavour Square,  
London  
E20 1JN.**

We're also regulated by the Prudential Regulation Authority:

**The Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA**

Please note, if advice about the Pension Annuity or Enhanced Pension Annuity was given or purchase of it was made outside the UK and/or you are not a UK resident, the advice is covered by your home regulator, and not regulated by the Financial Conduct Authority.

## Potential conflicts of interest

Occasions can arise where Aviva plc Group Companies, or their appointed officers, will have some form of interest in business which is being transacted.

If this happens, or the Aviva Group becomes aware that its interests, or those of its officers, conflict with your interests, we will take all reasonable steps to manage that conflict of interest, in whatever manner is considered appropriate in the circumstance. This will be done in a way which ensures all customers are treated fairly and in accordance with proper standards of business.

Further details of our conflicts of interest policy are available on request.

Where, despite all efforts to manage a conflict of interest, the conflict of interest can't be prevented, we will disclose it to you before you commit to taking out this product.

## Client classification

The Financial Conduct Authority has defined three categories of customer. You've been classed as a 'retail client', which means that you'll be provided with the highest level of protection provided by the Financial Conduct Authority rules and guidance.

## Aviva staff remuneration

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 additional bonus, a proportion of which relates to their sales performance.

## Compensation

Your Pension Annuity or Enhanced Pension Annuity plan 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**

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

## Solvency 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/investor-relations/institutional-investors/regulatory-returns/](https://www.aviva.com/investor-relations/institutional-investors/regulatory-returns/)**



## Need this in a different format?

Please get in touch if you would prefer this key features **AN15039** in large print, braille or as audio.

## How to contact us

 0800 068 6800

 [contactus@aviva.com](mailto:contactus@aviva.com)

 [aviva.co.uk](http://aviva.co.uk)

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