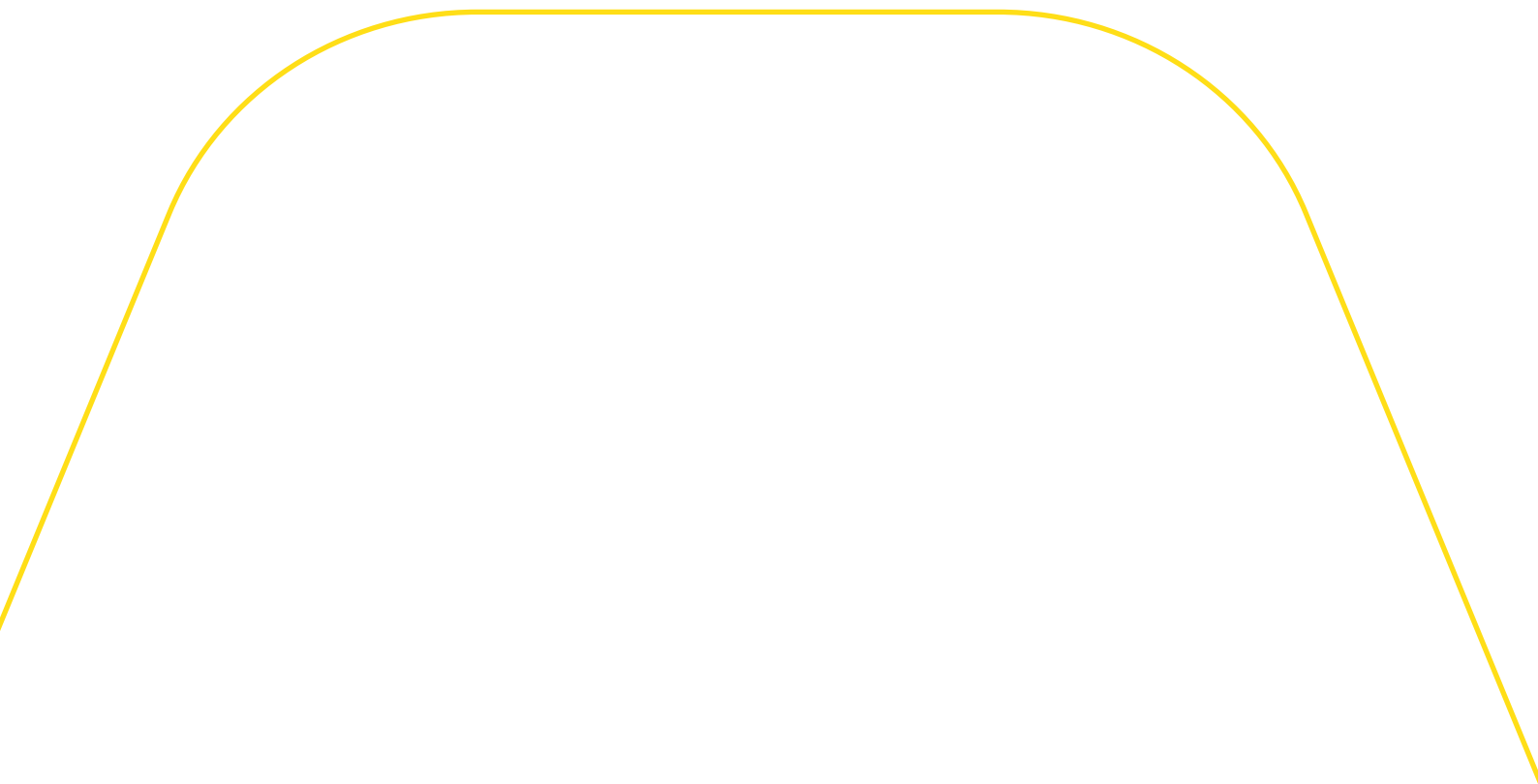


Key features of the Guaranteed Fixed Term Income Plan



Key Features of the Guaranteed Fixed Term Income Plan

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 Guaranteed Fixed Term Income Plan 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.

This Key Features document gives you the main points of the Guaranteed Fixed Term Income Plan. Your illustration shows the income you may get. Please read the Key Features together with your illustration so you understand what you're buying. You should then keep them with your other Plan documents.

You should seek guidance or financial advice to help you understand your options and decide what's best for you. Guidance is available from Pension Wise from MoneyHelper, and you can find more about this service on page 7. If you need advice and don't have a financial adviser, you can find one at unbiased.co.uk. An adviser may charge for their services.

Its aims

- To pay one of the following options as chosen by you:
 - A regular guaranteed income throughout the specified fixed term
 - A smaller regular guaranteed income throughout the specified fixed term, plus a guaranteed maturity value payable at the end of the term
 - A larger guaranteed maturity value payable at the end of the term
- If you selected an option with a guaranteed maturity value, then you can do one of the following at maturity:
 - withdraw the guaranteed maturity value as a lump sum. This will be treated as earned income for tax purposes
 - buy another Guaranteed Fixed Term Income Plan
 - transfer the guaranteed maturity value to a Flexi-Access Drawdown product
 - buy a lifetime annuity

For more information, see your Terms and Conditions document, or ask your financial adviser.

Your commitment

- To use your pension pot, from a UK registered pension scheme or existing drawdown arrangement, to buy a Guaranteed Fixed Term Income Plan from us on a fixed term basis.
- To ensure you answer any personal questions fully, truthfully and accurately to the best of your knowledge.
- You must be a UK tax payer and must be resident in the UK at the time of application.

Risks

- You can't change your Guaranteed Fixed Term Income Plan. If you ever need to "cash in" the Plan, perhaps because your circumstances change, you can surrender the Plan and we'll calculate a surrender value. See "How flexible is it?" on the next page.
- Inflation will reduce what your money can buy in the future.
- Your income will be payable for the length of the term you have chosen, it is not payable for your lifetime.

- 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 Guaranteed Fixed Term Income Plan. 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 available to buy your Plan can change as well.

Questions and answers

What is the Guaranteed Fixed Term Income Plan?

It's a plan that provides you with an income over a fixed term period and/or a guaranteed maturity value at the end of the fixed term period. The Guaranteed Fixed Term Income Plan is written under HM Revenue & Customs' Flexi-Access Drawdown rules.

You must select a term between 3 years and 25 years (in years and months).

You must have a pension pot of £10,000 or more, after any tax-free lump sum (sometimes known as a pension commencement lump sum), and after adviser charges are taken, to buy this Plan.

You can buy a Guaranteed Fixed Term Income Plan if you are at least the minimum pension age, which is currently 55 (increasing to age 57 from 6 April 2028). If you have a protected pension age (to find out more visit aviva.co.uk/nmpa) or meet HMRC's rules for taking benefits early due to ill-health you might be eligible to take benefits before the minimum pension age. The maximum age is 90. If the Plan is being bought by a beneficiary, the minimum age is 20, unless a child needs permanent care.

You may be able to take a tax-free lump sum of up to 25% of your pension pot when you buy your Plan. A tax-free lump sum is not available if the funds are coming from a pension plan already in drawdown. Your financial adviser, if you have one, will be able to give you more details.

How flexible is it?

You can choose how to set up your Plan. Once your Plan is up and running, and after a brief initial cancellation period (see "Can I change my mind?"), you cannot change your chosen options. To help you decide your options, we recommend you double-check the following three sections:

- What will my income be?
- What income options do I have?
- What choices do I have about how my Plan is paid?

If, once the cancellation period has ended, you ever need to "cash in" the Plan, perhaps because your circumstances change, you can at any point surrender the Plan. We'll then calculate a surrender value for you, taking into account any future income due and any guaranteed maturity value. The surrender value takes into account interest rates at the time, so the monetary amount is not fixed at outset.

In any event, the surrender value will be less than any remaining income and guaranteed maturity value otherwise due.

You can choose to take your surrender value in one of the following ways, subject to eligibility:

- Withdraw it as a lump sum - this will be taxable as income
- Use it to buy a different Guaranteed Fixed Term Income Plan
- Use it to buy a lifetime annuity
- Transfer the value to another Flexi-Access Drawdown arrangement

If you would like to surrender your Plan, we recommend seeking financial advice to ensure this is the right decision for you.

What will my income and/or guaranteed maturity value be?

The amount of income and/or guaranteed maturity value you get from your Plan will depend on a number of things when you set up your Plan, including:

- your age
- your postcode
- the size of your pension pot

- interest rates at the time
- whether you take a tax-free lump sum
- any adviser fees you pay
- the length of term you have chosen
- when you choose your income to be paid - both the start date and the date each month

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.

What income options do I have?

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

You can choose any of the below options:

- a fixed income for a fixed term
- a smaller fixed income for a fixed term plus a guaranteed maturity value
- a larger guaranteed maturity value with no income

The regular guaranteed income must be at least £240 each year.

Choosing an income will trigger the Money Purchase Annual Allowance (MPAA). The MPAA limit at the time this document was created was £10,000. If you exceed this limit you will be subject to a tax charge. Choosing the guaranteed maturity value only option will not trigger MPAA.

What choices will I have about how my Plan is paid?

You can choose how your income is paid:

- In advance (at the start of the payment period), or
- In arrears (at the end of the payment period).

This choice, like others, will affect the amount of income you'll get.

We'll pay your income directly into your UK bank or building society account. Please contact us if you move overseas once the Plan is up and running.

What happens to my Plan when I die?

If you die before your Plan matures, Aviva will pay death benefits to one or more beneficiaries, chosen at Aviva's discretion. You can fill in an "expression of wishes" form to tell us who you'd like us to consider. Aviva starts by calculating the money available to provide these death benefits - we call it the 'Death Benefit Lump Sum'. It's based on the discounted value of any future income payments and any guaranteed maturity value, still outstanding at the time of death. It takes into account interest rates at the time, so the monetary amount is not fixed at outset. These death benefits can then be taken in one or more of the following ways subject to eligibility:

- Continue the current payments as a beneficiary's Guaranteed Fixed Term Income Plan
- Withdraw the lump sum amount. HMRC would treat this as earned income for tax purposes, unless you die before age 75
- Purchase a new beneficiary's Guaranteed Fixed Term Income Plan with the lump sum amount
- Purchase a beneficiary's lifetime annuity
- Purchase a beneficiary's Flexi-Access Drawdown product.

Please see your terms and conditions or, if you have a financial adviser, contact them for further information.

What charges apply?

Plan charges

All the charges for setting up and running your Plan are taken into account when we work out your benefits. Charges are not taken from any income, nor from any guaranteed maturity value.

The illustration shows how much income and/or guaranteed maturity value the pension pot will buy.

If commission is being paid to your adviser, this is covered within the pricing of the Plan and will be shown on your illustration.

Adviser Charges

If you have asked us to pay an adviser charge from your pension pot, this will be shown on your illustration.

What about tax?

Your Guaranteed Fixed Term Income Plan payments will be treated as earned income and taxed according to your personal circumstances. We will deduct tax on behalf of HMRC under the Pay As You Earn regulations (PAYE).

Your payments will normally be made after the tax payable has been deducted.

If you opt for a guaranteed maturity value and on maturity you take this as a lump sum payment, the amount will be subject to income tax.

If you die before age 75, the death benefit due to your beneficiaries will usually be paid tax free.

If you die after age 75, each beneficiary will be liable to pay tax as earned income on their share of the death benefit.

If you opt to surrender your plan, the surrender value will be subject to income tax.

Your illustration will show more details.

HMRC places limits on the amount of tax-free benefits that can be taken from pension schemes. The limits are called the Lump Sum Allowance and the Lump Sum & Death Benefit Allowance. The limits apply to benefits taken during your lifetime and paid on death. Income tax is payable on benefits taken above these allowances.

Your remaining allowances reduce each time you take benefits. Your personal allowances may be higher than the standard amounts if you've been granted one or more of the types of protections by HMRC.

You can find more information on these allowances at: <https://www.gov.uk/tax-on-your-private-pension/lump-sum-allowance>. If they're likely to affect you, we recommend you get financial advice.

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. Tax benefits are dependant on individual circumstances.

Please contact your financial adviser, if you have one, and they can give you more details about your tax position.

Can I change my mind?

- You have the option to cancel your Guaranteed Fixed Term Income Plan:

- at any point before your Plan starts, or
- Up to 30 days from the date that you receive our confirmation that your Plan has started.

If you choose to take a tax-free lump sum and decide to cancel your Plan:

- before the tax-free lump sum is paid, we can return the funds to the transferring pension scheme if you confirm their agreement that they're willing to accept the pension funds back, or
- after we or another provider have paid the tax-free lump sum, it cannot be returned and you must use the remaining pension pot to buy another product that provides you with an income in retirement, either from us or another provider. If you don't do this within six months of the tax-free lump sum being paid, it will no longer be tax free and will become subject to tax charges.

If you want to cancel your application for a Guaranteed Fixed Term Income Plan before it has started, just let us know.

In order to cancel the Plan after it has started, you must:

- Sign and return the cancellation form, which you can find at the back of your illustration, within the 30 day period.
- Return any income payments we may have already paid, by cheque made payable to Aviva. Please post this to the address under the How to contact us section.
- Gain agreement from an insurance company to receive the funds so that they can provide you with an income in retirement within six months of the payment of your tax-free lump sum, if you've received one.

Where you've asked us to pay an adviser charge and this has already been paid it will not be refunded.

If you don't return the cancellation form, or if you don't advise us of an alternative retirement provider, within six months of any tax-free lump sum payment the Plan will continue.

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 using the details in the 'How to contact us' section.

We aim to resolve your complaint quickly. If we can resolve your complaint within three working days following the day we receive it, we will write and confirm this to you, along with your rights to refer your complaint to the Financial Ombudsman Service (FOS).

If your complaint is not resolved within three working days of receiving your complaint:

- Your complaint will be acknowledged promptly.
- A dedicated complaint expert will be assigned to review your complaint.
- A thorough and impartial investigation will be carried out.
- You will be kept updated of the progress.
- Everything will be done to resolve things as quickly as possible.
- A written response will be sent to you within eight weeks of receiving your complaint. This will inform you of the results of the investigation or explain why this isn't possible.

Where we cannot 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 decision, you are not. Contacting the FOS will not affect your legal rights. You can contact them on **0800 023 4567** or visit their website at financial-ombudsman.org.uk, where you will find further information.

Terms and conditions

This Key Features document gives a summary of Aviva's Guaranteed Fixed Term Income Plan.

It doesn't include all the terms and conditions.

If you would like a copy of these, please ask your financial adviser, if you have one, or contact us direct.

Law

The Plan is governed by the law of England. Your contract will be in English and we'll always speak and write 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

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 cannot 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 given 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

If you have received advice, qualified advisers will recommend that you buy products suitable for your needs. You've legal rights to compensation if, at any time, it's decided that you've bought a plan that wasn't suitable for your needs at that time.

Your 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/investors/regulatory-returns/

Pension Wise

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 or call **0800 138 3944** for full details of the service.

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 8.00am to 6.00pm

Outside these hours you can leave a message.

We may monitor calls to improve our service.

Email contactus@aviva.com

Office address

Aviva

PO Box 520

Norwich

NR1 3WG

Need this in a different format?

Please get in touch if you'd prefer this key features (AN21004) in large print, braille, audio, or in a different colour.

How to contact us



0800 068 6800



contactus@aviva.com



MyAviva.co.uk