

# Underlying Investment Option Document

Aviva Life Smooth Managed Fund S4

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

**ISIN:** GB00BGFQTZ23

**Fund Type:** Life Fund

**Document valid as at:** 31st January 2025

This document should be read with the Select Investment Growth & Income Option Key Information Document. When taking out this product, your adviser will give you a personalised illustration, which will provide full details on the investment selections you may be considering.

For further information, you can also refer to Fund Factsheets.

**You are about to purchase a product that is not simple and may be difficult to understand.**

## What is this product?

### Fund Objective

The Smooth Managed Fund is designed to deliver growth over the medium to long term, employing a 'smoothing' process to shelter you from some of the impact of market movements. The fund invests in a broad range of global assets which changes over time as we aim to keep the investment risk in line with a moderately cautious risk profile.

### Intended Retail Investor

As a customer investing in the Select Investment Growth & Income Option this product could be suitable if you:

- have at least £10,000 to invest over the medium to long term and have used up your Individual Savings Account (ISA) allowance for this year
- are a basic or higher rate income tax payer
- are prepared to accept some risk.

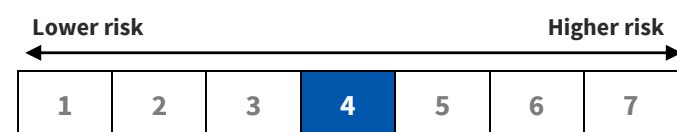
This fund has external fund holdings. This means the fund has holdings in one or more other funds managed by a different company in the Aviva group or by another fund management company.

The Financial Services Compensation Scheme (FSCS) provides protection to consumers by allowing them to claim compensation in the event that an authorised financial services firm (such as Aviva Life & Pensions UK Limited) is unable to meet claims made against it.

Whether you qualify for any compensation under FSCS will depend on the type of investments you hold. This means that if your investments through Aviva Life & Pensions UK Limited have external fund holdings, then you would not be eligible to make a claim for compensation under the FSCS in the limited circumstances where the external provider is unable to meet its obligations.

## What are the risks and what could I get in return?

### Risk indicator



The risk indicator is based on a 10 year holding period.



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 4 out of 7 which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you.

This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer

protection scheme (see the section “What happens if Aviva Life & Pensions UK Limited is unable to pay out?” in the accompanying Key Information Document). The indicator shown above does not consider this protection.

FCA regulation requires Insurance Companies to provide a Key Information Document (KID), Key Investor Information Document and Underlying Investment Options Document (UIOD) to help you with your Investment Fund selection. You can find this in the Fund Centre on our website.

Note: As part of the regulation an FCA specific risk rating was introduced which is different to Aviva's own fund risk ratings. Therefore, if you are viewing a fund factsheet and UIOD you will notice that the risk rating could be different on these documents even though it relates to the same fund.

Other risks not captured by the summary risk indicator figure above include future climate risks.

## Investment performance information

This fund invests in a range of assets, each of which have their own elements of risk. This particular fund invests primarily in the following assets;

- Equities
- Fixed Interest Securities
- Foreign Exchange Risk
- Emerging Markets
- Derivatives

### What could affect my return positively?

Conditions where this fund could produce greater returns would be:

- Equities: If the companies invested into consistently perform well and pay regular dividends, the value of your investment may increase over the long term.
- Fixed Interest Securities: If Interest rates fall, the value of your investment may rise. Inflation may affect the value of your investment.
- Exchange Rate: If the Exchange Rate moves favourably to domestic currency, the return may increase.
- Emerging Markets: Where a fund invests substantially in emerging markets, its value may move up by large amounts and more frequently than one that invests in developed markets. It may take advantage of these more frequent value movements through purchasing undervalued securities in the expectation that their value will rise again.
- Derivatives: The fund invests in Derivatives as part of its investment strategy to try and improve returns.

### What could affect my return negatively?

Conditions where this fund could produce worse returns would be:

- Equities: The value of your investment will fall if the markets perform poorly and this will lead to investment loss.
- Fixed Interest Securities: If interest rates rise, the value of your investment may fall. Inflation may affect the value of your investment.
- Exchange Rate: If the exchange rate moves unfavourably to domestic currency, the return may decrease.
- Emerging Markets: Where a fund invests substantially in emerging markets, its value may move down by large amounts and more frequently than one that invests in developed markets. It may not be as stringently regulated, and it may be harder to buy and sell securities compared to developed markets due to these increased risks.
- Derivatives: Under certain circumstances, derivatives can result in large movements in the value of the fund and increase the risk profile, compared to a fund that only invests in, for example, equities. The fund may also be exposed to the risk that the company issuing the derivative may not honour their obligations, which could lead to losses.

The Bond does not mature, and you can make regular/occasional withdrawals from your investment. Under severely adverse market conditions you may lose some or potentially all your investment, if you choose to cash in.

**The value of the investment can go down as well as up and you may not get back the amount of your original investment.**

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods.

The figures assume you invest £10,000.

The figures are estimates and may change in the future.

Your financial adviser may make Adviser charges. If so, your adviser will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

The total costs vary depending on the level of investment and the funds you choose. We recommend you refer to your personalised illustration to see further detail of the effects of the costs.

## Cost over time

Investment: GBP 10,000			
Scenarios	If you cash in after 1 year	If you cash in after 5 years	If you cash in at 10 years
Total costs	GBP 53.38	GBP 311.42	GBP 755.41
Impact on return (RIY) per year	0.53%	0.53%	0.53%

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- What the different cost categories mean.

## Composition of costs

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment.
Ongoing costs	Portfolio transaction costs	0.07%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.46%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	There is no performance fee.
	Carried interests	0.00%	The impact of carried interest.

These costs will be shown in the Key Features document and illustration. In these documents we may use different names for the above charges.

## Need this in a different format?

Please get in touch if you'd prefer this underlying investment option document **IN37069** in large font, braille, audio or in a different colour.

## How to contact us

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Telephone calls may be recorded for training purposes. Calls are free from BT landlines and mobiles.

### Aviva Life & Pensions UK Limited.

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