For distributor use only, not for use with customers.

# Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) Target Market Statement & Value Assessment

Aviva Life & Pensions UK Limited is the manufacturer of this product.
Full details are contained in the policy documentation.

## Aviva's product oversight and governance

Under FCA rules, we're required to inform you that we have governance processes in place to oversee the design, approval and review of our products.

Our well-established governance processes help us:

- formalise approval of new product developments and changes to existing products
- identify target markets for each product
- test customer understanding
- consider needs of vulnerable customers
- monitor post-sales performance.

## Target Market Statements

If the target market isn't adequately defined, the product could be sold to customers who are unlikely to get fair value or achieve good outcomes from the product. Distributors must also understand the target market and distribution strategy and ensure that the product is distributed accordingly.

When designing products, we:

- specify an identified target market for a typical group of potential customers
- identify relevant risks to the target market
- make sure that the intended distribution strategy is appropriate for the identified target market
- take reasonable steps to make sure we distribute the product in line with the target market for specified distribution channels.

**What does this mean for me?**
We've developed Target Market Statements to give you clarity on who the product is (and isn't) intended for and how customers can buy it.

They should help you in your consideration of:
- how the distribution strategy aligns with the target market statement
- the demands and needs of the customer
- whether any of the customers may be outside of the target market due to eligibility or exclusions
- what limitations, exclusions or alternative insurance cover in place might inhibit a customer from getting full value from the product
- whether fees and charges are appropriate to the service being delivered for customers
- vulnerable customers and the target market, focusing on whether they may require additional support in their decision making.

## Can I sell outside the target market?

The target market is aimed at a specific customer type (detailed below). You shouldn't assume a product is appropriate simply because the customer is in scope. The product should not be sold to customers outside of the target market. During the sale, you will be closest to the customer in identifying their demands and needs and your judgement will decide what is right.

We set the distribution channels for how you can sell the product (for example, online or face to face) and we expect you to follow these. If you believe you could use an alternative distribution channel, please contact us, so we can consider your proposal.

## Value Assessments

We regularly review our products to check whether changes are needed. The Value Assessment considers a range of indicators and measures which contribute to the overall value delivered to our customers.

The measures include:
- Target Market and Distribution Strategy – ensuring the target market is defined at a sufficiently granular level and distribution approaches are appropriate.
- Costs and Charges – reviewing those incurred by retail customers to ensure they're fair and appropriate, when considering the features and benefits of the product.
- Investment Proposition – reviewing the costs and performance of the investment options offered to ensure that these are appropriate for the target market and that they provide fair value.
- Commission and Margin Levels – To ensure these are appropriate for the service received by the customer.
- Complaints – analysing customer complaints to identify and resolve root causes, particularly where the product fails to deliver as expected.
- Service Delivery – checking to ensure service levels are in line with those we've led customers to expect.
- Communications – ensuring customers continue to receive communications which are clear, transparent and timely.

We base our level of insight on the type and complexity of each product, our identified target markets and the level of financial understanding.

**What does this mean for me?**
We monitor the performance of our products to make sure they meet the needs of customers in their identified target markets.

# Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) Target Market Statement

## What customer needs does the product meet?

The product is designed for employers to be able to provide a means for their employees to save money and build up a pot for their retirement in a tax efficient way. The scheme is a collection of individual personal pension plans so that it is easier to administer.

## Who is the product designed for?

**An employer:**

- who employs people working in the Isle of Man
- who wishes to provide a workplace pension for their employees, with or without the commitment to make employer payments into the plan
- who want to offer the option for their employees to access pension freedom options at retirement

**and**

- will use the plan for at least 20 members upon set up
- are committed to managing and maintaining the scheme, including making any relevant payments in a timely manner.

**Whose employees are:**

- wanting to join their workplace pension scheme
- aged 16 or over
- under the age of 75 at the point of joining
- are living and working in the Isle of man at the point of joining
- prepared to keep the funds invested until they are at least age 55
- wanting a choice of investment options, including a default option where they make no active choice
- would like the ability to view their plan online, and administer by post, email or by phone
- want to take up to a 40% tax-free cash lump sum at retirement and then either buy an annuity, take a taxable single payment (60% taxed as income) or transfer to another plan to withdraw the remainder either immediately or over a period of time
- understand that the value of their pension may fall and rise and that there is a risk they may get back less than invested.

## Who is the product not designed to support?

- an employer that does not meet the conditions the product is designed for, or whose employees do not meet the criteria the product is designed for. It is unlikely to be suitable for those who:
  - want a guaranteed rate of return on the investment or retirement income
  - want access to their investment prior to age 55 unless in ill health
  - want access to a wider investment choice e.g. individual shares

**This product also has the following features or limitations which employees should consider:**

- There are limitations to the types of transfers-in we can accept. Please see our member guide SP03092 for full details.
- Customers must be prepared to pay a scheme annual fund charge (AFC), any associated investment fund charges and commission.
- Payments are made to us before deduction of any tax relief. Customers can obtain income tax relief on payments they've made via their end of year tax assessment. Tax relief cannot be applied to contributions made by an employer.
- Single payments can be made into the plan by cheque only, and these must be for at least £500, or £1,000 if you aren't making regular payments.
- If the member leaves their employer, they may be able to continue the plan providing they still meet the rules of the Assessor of Income Tax for the Isle of Man. If they stop working, they may need to stop paying contributions until they start a new job. They may be able to continue to make their own contributions of at least £20 a month.
- Members requiring Flexi-Access Drawdown will need to transfer their funds to another provider of their choosing who can offer this solution.

## Can I sell the product without advice?

No, this product can only be sold by a financial adviser.

# Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) Value Assessment

The below table outlines when the last assessment took place and its outcome.

| Product Name | **Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan)** |
|---|---|
| Date Value Assessment was completed | December 2025 |
| Outcome | Continues to provide **fair value** for the target market |

## Supporting the needs of our customers

Any customer could find themselves in vulnerable circumstances at any time. We'll aim to ensure that vulnerable customers invested in this product continue to receive the same fair treatment and outcomes as other customers.

## Need more information on Consumer Duty?

Visit our Consumer Duty Hub at connect.avivab2b.co.uk/adviser/consumer-duty

## Feedback

If you have any feedback on these statements, please get in touch with your usual Aviva contact.

## Need this in a different format?

Please get in touch with your usual Aviva contact if you'd prefer this document (**SP03363**) in large print, a different colour, braille or as audio.

**Aviva Life & Pensions UK Limited.**
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**aviva.co.uk**

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