

# Target Market Statement

## Designer Stakeholder Pension

This document outlines the target market for the Aviva Designer Stakeholder pension. This is a Group Stakeholder Pension.

### What customer need does this product meet?

The product is designed for employers to be able to provide a means for their eligible employees to save money and build up a pot for their retirement in a tax efficient way. The charges Aviva can take for administering the plan, contribution levels and terms and conditions meet the Government's standards applicable to Stakeholder pensions. This may mean the options available are not as broad as may be available on a product which is not stakeholder friendly. This is suitable to meet the auto enrolment regulations.

### Who is the Designer Stakeholder Pension designed for?

#### An employer:

- with auto-enrolment duties to meet or
- who uses contractual joining to set up workplace pensions for their employees or
- whose employees wish to join a workplace pension
- who wants the benefit of a product that is regulated by the Stakeholder Pension Schemes Regulations 2000.

#### and

- will enrol 10 or more employees into the scheme upon set up
- are committed to continue with auto-enrolment legislation, where applicable
- are committed to managing and maintaining the scheme, including making payments on time (in line with regulations) and notifying Aviva of leavers.

#### Whose employees are:

- eligible to be auto-enrolled or make a positive decision to join their workplace pension scheme
- aged 16 or over
- under the age of 75 at the point of joining
- permanently resident in the UK
- wanting a pension scheme to which their employer can make contributions
- eligible for tax relief on their pension contributions
- prepared to keep the funds invested until they are at least age 55 (from 6 April 2028 this will be age 57 unless the customer has a protected pension age)
- wanting a choice of investment options, including a default option where they make no active choice
- would like the ability to administer the plan online, by post or by phone (some transaction options are limited, see below)
- wanting flexible access to retirement benefits including part and full cash withdrawals, flexi-access drawdown (FAD) (ad-hoc withdrawals only, see below) and taking an income for life (an annuity).
- understand that the value of their pension may fall and rise and that there is a risk they may get back less than invested.

### The Designer Stakeholder Pension is not suitable for:

- an employer that does not meet the conditions the product is designed for or who wants a stakeholder pension product 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 minimum pension age (currently 55, rising to 57 in April 2028) unless in ill health or have a protected pension age
  - want to access to a wider range of insured funds other investment options e.g. individual shares

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

- Pension freedom options are available within the product at retirement with no requirement to transfer out. However, automated regular FAD withdrawals are not available. The customer can make ad-hoc withdrawals only.
- There are limitations to the types of transfers-in we can accept. Please see our Transfer form SP57200 for full details.
- Members must be able to make informed investment decisions supported by appropriate information and documentation from Aviva when not investing in the default option, or take advice to support them in those decisions.
- Customers must be prepared to pay a scheme annual fund charge (AFC) and any associated investment fund charges.
- Beneficiaries cannot continue the product in their own name through a dependant's FAD.
- Some retirement options cannot be accessed online. The customer must call Aviva to do this.

### **Vulnerable Customers:**

- The product is designed to meet the needs of the broad cross section of UK society enrolled into their workplace pension schemes. Any customer could find themselves in vulnerable circumstances at any time. We will aim to ensure that vulnerable customers invested in this product continue to receive the same fair treatment and outcomes as other customers

### **Can the Designer Stakeholder Pension be bought without advice?**

Yes, the product can be sold with or without financial advice.

## **Target Market Statements**

### **Why are you telling me about this?**

The rules require us to consider several points when designing our product range, including;

- specifying an identified target market for a typical group of potential customers
- identifying relevant risks to the target market
- making sure that the intended distribution strategy is appropriate for the identified target market
- requiring us to take reasonable steps to make sure we distribute the insurance 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, our distributor, clarity on who the product is intended for (and who it is not) and how customers can buy the product.

Using these target market statements 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
- that 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.

As product manufacturer, we'll monitor the performance of our products to make sure they meet the needs of customers in the identified target markets. Should you feel a product doesn't meet these customers' needs or is potentially unclear, you can help us by providing feedback through your usual communication channels.

### **Feedback**

If you have any feedback on these statements, please contact your usual Aviva representative.

## Need this in a different format?

Please get in touch if you'd prefer this Target Market Statement (**SP56034**) in large font, braille, or as audio.

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SP56034 05/2023 © Aviva plc

