



1 October 2011

Aviva reduces surrender and transfer values for conventional with-profits policies

Aviva has reduced surrender and transfer values for **conventional** with-profits policies with effect from the 1 October 2011. The reduction has been necessary due to the recent falls in global investment markets.

The value of the with-profits fund has been impacted by these movements. As a result, surrender and transfer values have been reduced to ensure that customers leaving the fund do not disadvantage those remaining.

Surrender and transfer values calculate the payouts when customers surrender or transfer their investment out of the with-profits fund before their policy's maturity or retirement date.

Regular reviews of surrender and transfer values are part of our fund management strategy. We do this to ensure payouts reflect the value of the underlying assets for the time the investment has been held.

Impact of the reductions

- The reduction will only impact customers who decide to surrender or transfer their With-Profits investment before the policy's maturity or retirement date.
- Surrender and transfer values will reduce by 3-7% but there will be variations at an individual policy level due to the wide range of products covered by this review. This means actual reductions may be higher or lower than this range depending on the policy.
- The reduction applies to Aviva's conventional with-profits policies only. A conventional with-profits policy has a guaranteed benefit at maturity, provided you pay the premiums for the policy term.
- The change does not impact customers with policies maturing this year as the final bonus rates remain unchanged from those set on the 1 July 2011.

If you want to understand the impact of this change on your policy, please call our Policyholder Contact Centre on 0800 953 1777 between 9a.m. and 5p.m., Monday to Friday.

Further information

For more details about our with-profits funds please visit our customer website at www.aviva.co.uk/with-profits.

Glossary

Conventional – With-profits policies which have a guaranteed benefit at the maturity date of the policy.

Unitised – With-profits policies which invest in the With-Profits Fund by buying units in the fund.