

Key Features of the  
Company Pension  
@ Aviva (Isle of Man 89 Plan)  
and  
Company Pension Freedom  
@ Aviva (Isle of Man Section 61  
Plan)

# Key Features of the Company Pension @ Aviva (Isle of Man 89 Plan) and Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan)

**The Financial Conduct Authority is a UK financial services regulator. It requires us, Aviva, to give you this important information to help you to decide whether our Company Pension @ Aviva (Isle of Man 89 Plan) and/or Company Pension Freedom @ Aviva (Isle of Man Section 61 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.**

## Its aims

- To build up a pension pot for your retirement in a tax efficient way.

## Your commitment

- To make monthly or yearly payments until your chosen retirement age. Or to make at least one single or transfer payment.
- You're not committed to sending us any payments if you're in a scheme where you don't have to make any payments. Instead your employer will make payments until your chosen retirement age.
- To invest for the long term.

For your Company Pension @ Aviva (Isle of Man 89 Plan) this will normally be until you are at least 50. If you have transferred any benefits into this plan from a UK scheme you may not be able to take any of your plan benefits before age 55. You don't usually have access to the money invested in your pension pot until you buy a retirement income – known as an annuity.

For your Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) this will normally be until you are at least 55.

- To tell us about changes that might affect your plan. Full details of what you must tell us are in the 'Your pension plan declaration' in your plan documents that will be sent to you on joining your scheme.

## Risks

- The value of your pension pot can go down as well as up and the pension pot might be worth less than the amount paid in. Different investment funds carry a different level of investment risk, so it is important that you are happy with the way your money is invested. Please visit our Aviva Fund Centre [aviva.co.uk/retirement/fund-centre/](https://www.aviva.co.uk/retirement/fund-centre/) for more information.
- What you get back is not guaranteed. It will depend on how much has been paid in, how long it's invested for, investment performance, charges and the cost of converting your pension pot.

- Your personal illustration will give you an example of what you might get back. However the amount you receive may be lower than that shown in your illustration. This could happen if:
  - You and/or your employer stop or reduce your payments
  - Investment performance is lower than illustrated
  - The cost of converting your pension pot into an income for life is more than illustrated.
  - You start taking your retirement benefits earlier than your chosen retirement age
  - Tax rules change
  - Charges increase above those illustrated.
- If you make a single payment and then cancel the plan within 30 days, you may get back less than you've paid in.
- If you move money out of the With-Profit Fund the amount moved could be less than the quoted value. We explain this further under the heading 'Where are the payments invested?'
- In certain circumstances, we may need to delay switching your funds or making a payment as outlined in your plan terms and conditions. This could be as a result of adverse market conditions or where it leads to the unfair treatment of other investors. The delay may be for up to one month for most funds or up to six months if the fund you're invested in can't easily convert to cash. This includes:
  - a property fund or;
  - a fund that's fully or partly invested in the form of land or buildings.

In certain circumstances we may further delay the cancellation of units in any investment fund: i. To match any delay or suspension imposed by the manager(s) of any entity in which the fund has holdings; or ii. where due to exceptional circumstances we reasonably consider that it is in the interest of planholders whose plans are invested in the fund to do so.

When we cancel the units after a delay, we will use the unit price that applies at the end of the deferred period. You can find out more about this in the terms and conditions. We'll let you know if and why we need to delay payments, transfers and switching funds.

## Risks of transfer payments

- If you're transferring a pension plan from another pension scheme, what you get from this plan at retirement could be very different. Depending on the type of scheme you're transferring from, you may be giving up all or some of the following:
  - a guaranteed retirement income that is linked to your pay when you leave the company
  - guaranteed annuity rates, which could provide you with a higher level of income than may be offered on the open market.
  - an increase in your pension pot between now and when you retire; this could be linked to inflation
  - increases in your retirement income; these could also be linked to inflation
  - a pension which gives you a loyalty bonus
  - enhanced death benefits
  - a pension which lets you retire early
  - a larger tax-free cash sum when you retire
  - life cover
  - For your Company Pension @ Aviva (Isle of Man 89 Plan). If you have transferred any benefits into this plan from a UK scheme you may not be able to take any of your plan benefits before age 55.
  - For your Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan). If you're transferring a pension plan from another Isle of Man pension scheme which has not been approved under Section 61 of the Income Tax Act 1970, a transfer fee of 10% of the pension fund must be paid from the transferring plan to the Isle of Man Assessor before the transfer is applied.

A financial adviser can show you what benefits you'd be giving up if you transferred from your existing scheme. As part of this, they can tell you if transferring to this plan is likely to match or exceed those benefits and how charges may differ.

Transferring pensions is not right for everyone. It could be a complex decision and you need to consider the charges, fund ranges, any valuable benefits that could be lost and any tax implications.

There's no guarantee that you'll be better off by transferring. Remember that the value of your pension can go down as well as up and you may get back less than has been paid in.

- If you are thinking about transferring your existing pension to us, we strongly recommend you seek financial advice. Your Employer will be able to tell you if a financial adviser is supporting your pension scheme with us who you can speak to. Alternatively, you can find your own adviser at **unbiased.co.uk**. A financial adviser will charge for the advice they provide.
- If you want to transfer without using a financial adviser, acceptance will be subject to certain criteria. For example, we cannot accept transfers from UK pensions into an Isle of Man pension or transfers over certain thresholds without advice where you may lose valuable guarantees or benefits that are in place with your existing pension. Also, for transfers over certain thresholds, where you may lose valuable guarantees or benefits that are in place with your existing pension, in addition to having an Isle of Man financial adviser, there must be an FCA registered financial adviser involved who has the correct permissions for transfers.
- During the transfer process your money will not be invested meaning you will not benefit from any rise in the price of investments during that period.
- Your existing provider may charge you for moving your money, known as an early exit penalty. We will not charge you for transferring to us but your invested transfer fund will be subject to the annual fund charge on your plan and any extra charges applicable to some funds.  
This plan cannot accept any pension benefits that have already been accessed.

# Questions and Answers

## What is the Company Pension @ Aviva (Isle of Man 89 Plan) and/or the Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan)?

- It's a pension scheme for groups of people aged under 75 who want to invest for their retirement in a tax-efficient way.
- Each member of the scheme is provided with their own individual personal pension plan.
- It may be suitable for people who are employed.
- We set your plan up using the retirement age you've chosen.

For your Company Pension @ Aviva (Isle of Man 89 Plan) you can normally start taking your benefits at any age from age 50 to 75. If you have transferred any benefits into this plan from a UK scheme you may not be able to take any of your plan benefits before age 55. You don't have access to the money invested in your pension pot until you buy a retirement income – known as an annuity.

For your Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) you can usually start taking your benefits at any age from 55 to 75. If you want more information please read 'What choices will I have when I retire?' on page 6.

- Your Company Pension @ Aviva (Isle of Man 89 Plan) will be made up of a number of separate arrangements. You can take your benefits from these arrangements either independently or together. For more information on taking your benefits in stages, please read 'What choices will I have when I retire?' on page 6.
- Your Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) cannot be split into separate arrangements.
- Benefits from your Company Pension @ Aviva (Isle of Man 89 Plan) can be taken separately from those in your Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan).
- Your employer can make payments into this plan.
- It's not an occupational pension plan.

## Can I take my money out?

- You cannot access your pension savings until you start taking your benefits.
- You can transfer your pension pot to another pension scheme before you start taking your retirement income.

For your Company Pension @ Aviva (Isle of Man 89 Plan) a transfer to an Isle of Man pension approved under Section 61H of the Income Tax Act 1970 will incur a transfer

fee of 10% of the transfer value payable to the Isle of Man Assessor before the transfer is made. A transfer to another Isle of Man plan approved under the Income Tax Act 1989 will not incur a transfer fee.

- We don't charge for a transfer, but depending on investment performance, the amount we transfer may be less than the total payments made into your plan.

## What might I get when I want to take my retirement benefits?

- The size of your pension pot will depend on how much has been paid in, how long it's invested for, the investment performance of the funds you choose and our charges.
- Your illustration gives an idea of what you might get.
- Please remember that the value of your investment can go down as well as up and that your pension pot may be worth less than has been paid in.

## Where are the payments invested?

- We'll invest all payments in a fund or funds chosen for your pension scheme.
- Each fund is divided into units of equal value. We use your payments to buy units in your funds. The value of the units will rise or fall depending on the investment performance of the funds.
- If available to your plan, if you invest in a With-Profit Fund this works differently, as it shares out the returns earned by the fund to its investors through a system of bonuses. However the value of your investment can still fall, and we may pay less than the value we stated when you move money out of the fund. We may apply a market value reduction when money is moved out of the With-Profit Fund. This includes when we move the money as part of a lifestyle or phased switching strategy. This means the value may be less than the quoted value of the amount taken out. This is most likely to happen following a large or prolonged fall in the stock markets or when investment returns are below the level we normally expect. This is explained in more detail in the 'Principles and Practices of Financial Management (PPFM) for the Aviva Life & Pensions UK Limited Old With-Profits Sub-Fund and New With-Profits Sub-Fund' and summarised in the 'With-Profits Summary'.

Please contact us or your financial adviser if you would like a copy of either of these documents. Both are also available at [aviva.co.uk/ppfm](https://www.aviva.co.uk/ppfm).

- The funds have different aims and levels of risk. You can find more information about this in your investment guide.

- You can change the funds your payments are invested in at any time after the first payment is made. If you want to do this, please contact us.

We don't charge you for doing this, but we reserve the right to limit the number of changes you make. In certain circumstances, we may need to delay switching your funds as outlined in your plan terms and conditions.

### How much can be paid into my plan each year?

- We have minimum and maximum levels of payments and we may change these from time to time.
- While you are a member of your employer's scheme, the minimum regular payments are agreed with your employer. If you wish to continue to make payments after leaving your employer the minimum payment is currently £20 a month. If you want to make single payments, the minimum amount you can pay in is £1000. We reduce this to £500 if you've already made a single payment or if you're making regular payments.
- The Assessor of Income Tax for the Isle of Man limits the amount that you can pay in and obtain tax relief on each year.

Your employer may also pay into this plan and your employer may also ask you to pay more into your pension later.

We collect regular monthly and yearly payments by direct debit and one off payments by cheque. If you work for an employer, they'll usually take your payments from your salary and send them to us, together with payments they're making.

### What if I stop living in the Isle of Man?

You should let us know if you are no longer a permanent resident of the Isle of Man as this may affect how much you can pay into your plan.

We will let you know how your payments are affected, as this will depend on your circumstances at the time.

### What about tax?

The following information about tax is based on our understanding of current law and tax practice of the Isle of Man. Future changes in law and tax practice, or your own financial circumstances, could affect your retirement benefits and how much tax you have to pay.

A financial adviser can give you more details about your tax position.

### Tax relief on your payments

- Your payments are made to us without the benefit of immediate tax relief. You would need to provide the IOM Assessor's Office Tax Division an estimate of the personal pension contributions you intend to make and the Assessor will adjust your tax code appropriately.
- Documents sent to you by us may help in obtaining tax relief.
- You are only allowed tax relief on your relevant Isle of Man earnings.
- Tax relief on your payments could change in the future. The amount of tax relief will depend on your personal circumstances.
- You don't get tax relief for any money you transfer into this plan from another scheme.

### Annual Allowance on payments

- The Assessor of Income Tax for the Isle of Man limits the amount that you can pay in and obtain tax relief on each year.
- The annual allowance applies a maximum limit each year to all contributions paid by you, or on your behalf, which can obtain tax relief.
- Currently, the annual allowance is £50,000.
- If contributions exceed the annual allowance, a tax charge may apply to the excess.

### Tax on your pension pot and benefits.

- You can normally take a tax-free cash sum from your pension pot of:-  
up to 30% of your Company Pension @ Aviva (Isle of Man 89 Plan) pension pot  
and  
40% of your Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) pension pot.
- You may have to pay income tax on your retirement income. How much income tax you pay will depend on your total income at that time.

### What are the charges?

We charge for managing your plan. We'll give you details of the charges for your plan and the effect they have on your pension pot fund value in your personalised illustration. These charges will reduce the value of your pension plan.

The charges may increase if you leave your employer's plan.

We may increase our charges if the cost of managing your plan increases due to changes in taxation, regulation, the law, and the cost of fund management. We'll tell you if we do this.

Below we outline the charges you may pay on your pension plan.

### **Annual Fund Charge (AFC)**

You'll pay an Annual Fund Charge which covers the cost of running your pension plan. This is deducted monthly from the value of your plan.

The AFC may also include the cost of commission, if your employer has received advice from a financial adviser relating to your pension scheme and have arranged for this to be paid for by deductions from your plan.

### **Additional yearly charge**

With certain funds you'll have to pay an additional yearly charge, which reflects the extra cost of managing these funds. The charge you'll pay will vary depending on the fund you choose. This charge is paid by cancelling units from your plan.

### **Fund manager expense charge (FMEC)**

Fund manager expenses may be charged for some funds to cover the costs to the fund manager of running the fund. These expenses are connected with buying, selling, valuing, owning and maintaining the assets in the fund. The charge is made by reducing the price of each unit in the funds. The yearly rate of the FMEC may vary throughout the year. The charge depends on your choice of funds.

### **Total additional yearly charge**

This is the total sum of the additional yearly charge and any FMEC.

### **How flexible is it?**

- You can choose to invest in a number of our funds, including the With-Profit Fund. For more information on the funds you can choose from, please visit our Aviva Fund Centre [aviva.co.uk/retirement/fund-centre/](https://www.aviva.co.uk/retirement/fund-centre/)
- You can make one-off payments at any time. You may also make regular monthly or yearly payments. Your payments will be subject to the limits that we set as outlined in your Terms and Conditions.
- You can increase your regular payments.
- You can reduce your payments, or stop and restart them at a later date. Reducing or stopping your payment will reduce the value of your pension pot. If you want to stop making payments, you can ask us for more information on how our charges will reduce the value of your pension pot.

- You may be able to transfer your pension pot from another pension scheme to this pension plan. We recommend that you speak to a financial adviser before you do this to make sure it's suitable for you.

### **Transfer payment**

- Your transfer payment is paid electronically or by cheque to us.

### **What choices will I have when I retire?**

#### **Company Pension @ Aviva (Isle of Man 89 Plan)**

- You can use your pension pot to buy a retirement income. Or you can take up to 30% as tax-free cash and use the rest to buy a smaller retirement income.
- You don't have to use all your pension pot at once. You can buy your retirement income in stages.
- If you want to take tax-free cash, you have to do this before you're 75.
- Under this plan, you have to use your pension pot before you're 75. If you want to wait until later than that to use your pension pot, you'll have to transfer your money out of this plan before your 75th birthday and put it into a different one which lets you use your pension pot after you're 75.
- You can usually take your benefits from age 50. If you have transferred any benefits into this plan from a UK scheme you may not be able to take any of your plan benefits before age 55.
- If you can't carry on working due to ill health, or if you have a certain type of occupation, you may be able to use your pension pot to buy a retirement income before you're 50.
- You can buy your retirement income from us or from any other provider.
- By shopping around you may be able to obtain a higher level of income.

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

- You can have 40% tax free cash and the remainder as an income, either immediately or over a period of time. Currently if you want to do this, you will need to transfer to another plan before the age of 75 years old.
- You can usually take your benefits from age 55.
- If you can't carry on working due to ill health, or if you have a certain type of occupation, you may be able to use your pension pot before you're 55.

Under this plan, you have to use your pension pot before you're 75. If you want to wait until later than that to use your pension pot, you'll have to transfer your money out of this plan before your 75th birthday and put it into a different one which lets you use your pension pot after you're 75.

We'll remind you about the choices you have nearer to your chosen retirement age.

### What happens when I die?

- If you die before you buy your retirement income we can pay out the value of your pension pot as a cash sum. Any cash sum benefit we pay when you die will normally be tax-free.
- Alternatively, we can provide a retirement income for your spouse, civil partner or dependants.
- If you die after you've retired, the benefits we pay will depend on the choices you made at retirement.

### Can I change my mind?

- We will send you a cancellation notice and you can change your mind within 30 days from the later of:
  - The day we tell you your pension plan starts.
  - The day you receive your pension plan document.
- If you decide you don't want the pension plan, we'll give you your money back. If you've made a single payment or transferred in your pension plan from another scheme and the value of your pension pot has fallen, you'll get back your payment minus any fall in the investment value.
- If your pension plan includes a transfer from another pension scheme, the transferring scheme may not be willing to take the transfer back or reinstate your benefits in their scheme. Your options then would be to transfer to another provider who is willing to accept it or reapply for a transfer to us.
- The cancellation notice will include the address you should send it to if you change your mind about your plan. Alternatively, you can contact us at the address given overleaf.
- Your pension plan will continue if we don't receive your cancellation notice within the 30 days.

### What if I change jobs?

- If you change jobs, you'll still be able to make payments into your pension plan. Your old employer will stop making payments but your new one may start to pay in instead.
- You can find more information on what happens if you change jobs in your member's guide.

### If I seek financial advice how much will it cost?

- Your adviser will tell you what the cost will be.

### How will I know how my plan is doing?

- You can manage your plan online with MyAviva [aviva.co.uk/existing-customers](https://aviva.co.uk/existing-customers)

*These are the Key Features of the Company Pension @ Aviva (Isle of Man 89 Plan) and Company Pension Freedom @ Aviva (Isle of Man section 61 Plan). Further details are available in the policy document, a copy of which is available on request.*

# Further information

## Law

- The law of Isle of Man will apply in legal disputes and your contract will be written in English. We'll always write and speak to you in English.
- We are regulated by the Financial Conduct Authority whose contact details are:

 The Financial Conduct Authority  
12 Endeavour Square,  
London  
E20 1JN

We are also regulated by the Isle of Man Financial Services Authority

 Isle of Man Financial Services Authority  
PO Box 58  
Finch Hill House  
Douglas  
Isle of Man  
IM99 1DT

We are also regulated by the Prudential Regulation Authority

 The Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA

## How to contact us

- If you'd like more information about your company's pension scheme, we recommend you first contact your employer, or you can contact us directly using the details below.
- If you'd like advice, for instance about how much you should pay into your pension plan or if you're not sure if this product is suitable for you, please speak to a financial adviser.

 **0800 145 5744**

**Monday to Friday 9am – 5pm**

Please note Aviva may record calls to improve service.

 [helpdesk@aviva.co.uk](mailto:helpdesk@aviva.co.uk)

 Aviva  
PO Box 520  
Surrey Street  
Norwich  
NR1 3WG

## Potential conflicts of interest

- There may be times when Aviva plc group companies or our appointed officers have some form of interest in the business being transacted.
- If this happens or we become aware that our interests, or those of our officers, conflict with your interests, we'll take all reasonable steps to manage that conflict of interest. We'll do this in a way that treats all customers fairly and in line 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 or taking any investment action in relation to it.

## How to complain

- If you ever need to complain, you can contact us at:

 Aviva  
Customer Relations  
PO Box 3182  
Norwich  
NR1 3XE

 Telephone number: 0800 068 6800

 Email: [helpdesk@aviva.co.uk](mailto:helpdesk@aviva.co.uk)

- If you are not satisfied with our response, you may be able to take your complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service can look at most complaints and is free to use. You do not have to accept their decision and will still have the right to take legal action. Their contact details are:

 The Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

 Telephone: 0800 023 4567

 Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk)

- If you have taken a product out online with Aviva and are unhappy with the product or the service you received, you can use the European Commission's Online Dispute Resolution service to make a complaint. The purpose of this platform is to identify a suitable Alternative Dispute Resolution (ADR) provider and we expect that this will be the Financial Ombudsman Service. Please be aware that the Financial Ombudsman Service will only be able to consider your complaint after Aviva have had the opportunity to consider and resolve this.

## Terms and conditions

- This Key Features document gives a summary of these pension plans. You should also read the full terms and conditions. You may already have a copy; if you don't you can get a copy from your adviser or you can contact us direct.

## Compensation

The Financial Services Compensation Scheme covers your pension plan. If Aviva becomes insolvent and we can't meet our obligations under your pension plan, the scheme may cover you for 100% of your total claim. For further information, see [fscs.org.uk](http://fscs.org.uk) or telephone 0800 678 1100 or 0207 741 4100.

Whether you qualify for any compensation under the FSCS will depend on the type of investments you hold. This means that if your investments through Aviva Life & Pensions UK Limited are held in external funds, 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. Our fund factsheets show whether a fund is an external fund and further details can be found in 'Your Guide to Fund Factsheets'. If you are not sure about the type of funds you are invested in you can call us on 0800 145 5744 or speak to your financial adviser.

## Client Classification

The Financial Conduct Authority has defined three categories of customer. You have been classed as a 'retail client', which means that you will be provided with 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.

## 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 [www.aviva.com/investor-relations/institutional-investors/regulatory-returns](http://www.aviva.com/investor-relations/institutional-investors/regulatory-returns).

