



Key features of the **Immediate Life Annuity**

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The Financial Conduct Authority is a financial services regulator. It requires us, Aviva, to give you this important information to help you decide whether our Immediate Life Annuity 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.

This key features document gives you the main details of the plan. Your illustration shows you the payments you may receive under the plan. Please read them so you understand what you're buying and keep them with your other plan documents.

This document assumes that you are covered by the plan. You may be able to take out the plan to cover other people. If you do this then the details in this document setting out what will happen during your lifetime or on your death will apply to them.

Its aim

- To pay a guaranteed income for the rest of your life and/or for the lives of any other people covered.

Your commitment

- You pay us a single contribution at the start of the plan.
- When you make that single contribution, you make a once and for all decision about the kind of plan you want as you won't be able to make any changes during your lifetime.

Risks

- You cannot change or cash in your plan, even if your personal circumstances change.
- We will not pay out anything on death unless you choose a guarantee period or to protect your capital. You can find out more details in the 'What payments will I get?' section.
- Increases in income tax rates could reduce the amount of your regular payments.
- You have no protection against inflation unless you choose a plan where the payments increase each year. This could still mean that inflation increases at a higher rate than your income.
- If you cancel the plan in the first 30 days and the cost of buying your plan has fallen, you will not get a full refund.

Questions and answers

What is the Immediate Life Annuity?

- An Immediate Life Annuity is an income plan that can be bought with your own money from non-pension sources. It can be bought with savings, investments, an inheritance or the tax free cash lump sum from a pension fund.
- It gives you an income for the rest of your life. You can take out the plan on your own or with someone else.
- Your income starts as soon as the Immediate Life Annuity is set up. There is no medical underwriting for this type of plan.
- You can buy an Immediate Life Annuity if you are at least 55 and not older than 95:
 - where payments are for your and another person's lifetimes, both of you must be above 55 but only one of you needs to be below 95
 - where payments are for the lifetime of another person or couple, their respective ages apply.
- Your single contribution must be at least £7,500 after deduction of any adviser charge (or £100,000 – after deduction of any adviser charge – if purchased by trustees of a will or settlement).
- Your personal tax position, and the source of the money you use to buy the Immediate Life Annuity, depends on how your income is taxed. Please see 'What about tax?' for more details.

How flexible is it?

- Before you set up your plan, you can choose to have your payments made for:
 - your lifetime
 - your and another person's lifetimes
 - the lifetime of another person or couple.
- You can find details of other choices you can make when setting up your plan in the following sections of this document:
 - What payments will I get?
 - What choices will I have about how I get my payments?
- Once set up, you can't change or cash in your plan or defer a payment.

What payments will I get?

- The payments you get will depend on a number of things when you set up your plan, including:
 - your age
 - interest rates at the time
 - the amount of your single contribution
- Unless you choose any of the options below, your income will remain the same for the rest of your life.
- There are several different options you can choose from:
 - you can choose to take smaller payments at the start which increase each year by between 0.5% and 5%.
 - this annuity has a one year guarantee as standard. This means that if you die we may continue to pay an income to your estate until the end of the first year. However, you can choose to take smaller payments that are guaranteed for up to 10 years, even if you die during that time. This is called the guarantee period. Please see 'What is a guarantee period?' section on the following page for more information.
 - you can choose to take smaller payments to protect your capital. This means that when you die, if the total payments (before tax) we've paid you are less than your single contribution, we'll pay the difference to your estate.
 - you can choose to take smaller payments to provide an income for another person, as well as yourself.
 - if your plan covers two people you can choose for the payments to reduce when one of you dies. This reduction can be up to 50%.
- You can choose combinations of these options. By asking for illustrations with different options you will be able to see the difference it would make to your income.

What choices will I have about how I get my payments?

- Your payments will be paid directly into your bank or building society account.
- You can choose the frequency that you will receive your payments. This can be monthly, quarterly, half-yearly or yearly.
- You can choose whether the payment is made at the beginning or end of this frequency period.
- This choice will affect the amount of payment you will get.

What happens to my plan when I die?

- Your plan will end when you die unless:
 - you die within the first 90 days of your plan start date, and any dependant named on the plan dies before you, in which case Value Protection will apply and a lump sum will be payable to your estate
 - you die after 90 days of your plan start date but within your guarantee period, in which case payments will continue until the end of the guarantee period. These will be paid to your estate or dependant on the policy
 - an income is to be paid to a dependant and they are still alive.

Please see your terms and conditions for further information or check with your adviser to see if any other exclusions apply.

- If you choose to protect your capital, we may make an extra payment to your estate if when you die the total payments (before tax) we've paid to you are less than your single contribution.

What is Value Protection?

- If you die within 90 days of your plan start date, and any dependant named on the plan dies before you, we will make a payment to your estate. This will be equivalent to the value of your annuity, minus any payments already made. This payment will include any guarantee period payments.

What is a guarantee period?

- Aviva offers a minimum one year guarantee period as standard, however you can choose a longer guarantee period of up to 10 years. If you die after 90 days but within your guarantee period, we will continue to make your annuity payments to your estate or dependants until the end of that period.

What are the charges?

Product and investment charges

- We use your single contribution to pay our charges for setting up and running your plan. We do this by taking charges into account when we work out the price of your regular payments.
- The illustration shows how much your single contribution will buy.
- No further charges are taken from your regular payments.
- If commission is being paid to your adviser, this is covered within the pricing of the annuity and will be shown on your illustration.
- If we need to rewrite the terms of your Immediate Life Annuity due to any information being incorrect or incomplete, then we will charge you £40 each time.

Adviser charges

- If you have asked us to pay an adviser charge from your pension fund, this will be shown on your illustration.

What about tax?

- If you're buying the plan with your own money, HM Revenue & Customs is likely to agree that each of your payments can be split into two parts:
 - a capital part – which is tax-free; and
 - an interest part – which is taxable.
- We'll deduct tax from the interest part at the basic rate of income tax (see illustration) at the time.
 - If you don't pay income tax we may be able to pay the income to you gross. To do this, let us know and we'll send you the necessary declaration form to complete.
 - If you do pay tax and you have unused Personal Savings Allowance available you may be able to reclaim from HMRC some or all of the tax deducted.
- The interest part, before tax, is added to your other income for tax purposes. This may mean that you move into a higher-rate tax band.
- If HM Revenue & Customs won't agree to us deducting tax only from the interest part, then we'll deduct basic rate tax from the whole of each of your payments.
- We'll send you a tax certificate at the end of each tax year. You must declare the interest part on your annual tax return.
- Any payments made to your estate after your death, may be subject to inheritance tax.
- Please note that we've provided only a general tax summary and individual circumstances may differ.
- Your financial adviser can give you more details about your tax position.
- Tax rules can change.

Can I change my mind?

- You have the option to cancel your Immediate Life Annuity plan up to 30 days from the date that you receive our confirmation that your annuity plan has started. We will enclose a cancellation form when we issue this confirmation.
- Your cancellation form will include the address to which it should be sent. Alternatively, you can contact us at the address overleaf.
- If you decide to cancel your plan, please return any income payments we may have already paid, by cheque made payable to Aviva. These should be returned with the cancellation form.
- We will refund any single contributions, but where you have asked us to pay an adviser charge and this has already been paid this will not be refunded.
- If rates increase during the cancellation period and the cost of buying your plan falls, we reserve the right to give back a lower amount than that which you originally paid for the Immediate Life Annuity.
- If the cancellation form is not returned the annuity plan will continue.

How to contact us

- Remember, your financial adviser will normally be your first point of contact. They will have provided you with information that contains their contact details.
- If you have any questions at any time, you can phone, e-mail or write to us.



Call us on **0800 068 6800**

Monday to Friday 8.00am – 8.00pm

Saturday 8.30am – 5.00pm

Sunday 10am – 4pm

Outside of these hours, you can use the same number and leave a message on our answerphone. We may monitor calls to improve our service.



E-mail

contactus@aviva.com



Office address

Aviva

Annuity Contact Centre

PO Box 520

Norwich

NR1 3WG

Other information

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: **contactus@aviva.com**
- 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**
Website: **www.financial-ombudsman.org.uk**

Terms and conditions

- This key features document gives a summary of Aviva's Immediate Life Annuity. You should also read the full terms and conditions.
- The policy document gives the full terms and conditions. If you'd like a copy, please ask your financial adviser or contact us directly using the details above.

Law and language

- The plan is governed by the law of England. Your contract will be in English and we will 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're also regulated by the Prudential Regulation Authority:
The Prudential Regulation Authority
20 Moorgate
London
EC2R 6DA

Potential conflicts of interest

- Occasions can arise where Aviva plc group companies, or their appointed officers, will have some form of interest in business which is being transacted. If this happens, or the Aviva Group becomes aware that its interests, or those of its officers, conflict with your interests, we will take all reasonable steps to manage that conflict of interest, in whatever manner is considered appropriate in the circumstance. This will be done in a way which ensures all customers are treated fairly and in accordance 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.

Customer classification

- The Financial Conduct Authority has defined three categories of customer. You've been classed as a 'retail client', which means that you'll 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.

Compensation

- Qualified advisers will recommend that you buy products suitable for your needs. You've legal rights to compensation if, at any time, it's decided that you've bought a plan that wasn't suitable for your needs at that time.
- The Financial Services Compensation Scheme covers your plan. It'll cover you if Aviva becomes insolvent and is unable to meet its obligations under this plan. For this type of plan, the scheme will normally cover you for 100% of the total amount of your claim. For further information, see **www.fscs.org.uk** or telephone **0800 678 1100** or **020 7741 4100**.

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/**

Braille, large font, audio material

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Just call **0800 068 6800** or email **contactus@aviva.com** and tell us:

- the format you want
- your name and address
- the name or code of the document. The code is usually in the bottom left hand corner on the back of most documents.