Company Pension
@ Aviva (Isle of Man 89 Plan)
Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan)
Isle of Man Personal Pension 89 Plan and Isle of Man Personal Pension Freedom Section 61 Plan

Terms and Conditions

Terms and conditions

General conditions

The terms and conditions that apply to your membership of the pension scheme(s) may affect the scope of the policy that Aviva offers you.

In all cases, this policy will be subject to the rules of the Aviva Personal Pension Scheme (Isle of Man).

In the policy 'we', 'us' or 'our' are used to mean Aviva Life and Pensions UK Limited

Governing documents of the scheme

The Aviva Personal Pension Scheme (Isle of Man) is constituted under a trust. The rules of the Scheme are held subject to that trust. We may amend the rules and trust from time to time, whether to reflect changes in legislation or changes to the way we administer the Scheme. A copy of the rules and the trust are available on request.

Scheme approval and set up Isle Of Man scheme

Company Pension @ Aviva (Isle of Man 89 Plan) and Isle of Man Personal Pension 89 Plan

The scheme is a personal pension scheme approved by the Assessor of Income Tax Under Part 1 of the Income Tax Act 1989 (an act of Tynwald). The Assessor's reference number is IT33B. Every effort has been made to avoid inconsistency between the rules and the policy. If there is any inconsistency the rules will override this policy.

Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) and Isle of Man Personal Pension Freedom Section 61 Plan

The scheme is a personal pension scheme approved by the Assessor of Income Tax under section 61H of the Income Tax Act 1970. The Assessor's reference number is IT33B. Every effort has been made to avoid inconsistency between the rules and the policy. If there is any inconsistency the rules will override this policy.

Arrangements

Your Company Pension @ Aviva (Isle of Man 89 Plan) or Isle of Man Personal Pension 89 Plan policy is divided into a number of arrangements.

Under current legislation, the benefits from each arrangement can be taken at different dates. This allows you extra flexibility when taking benefits from the policy.

Each arrangement is an individual part of your membership of the Scheme. It is separate from all your other arrangements in the Scheme.

The number of arrangements applicable to your policy will be shown on your plan details.

The number of arrangements will change if you take part of the benefits from your policy. We will tell you if this happens.

Cash value

The amount raised when units are cancelled is the cash value. The cash value raised when units in the With-Profit Fund are cancelled may make an allowance for Final bonuses and will allow for any market value reduction when applicable. Details of when we will not apply a market value reduction are given in the description of the With-Profit Fund.

Valuation day

Where we use the term valuation day in this policy, we mean the day on which we recalculate the unit price. We will do this at least once a month.

The unit price is the price we use for allocating and cancelling units.

Contracting out and Former Protected Rights

From 6 April 2012 the Government stopped the ability to contract out for defined contribution schemes. Any funds built up from contracted out payments (known as "protected rights") can now be used in the same way as the rest of the pension fund. However, Aviva still identifies these funds separately, and we refer to them as "former protected rights" and "non protected rights" in this document. "Former protected rights" will not apply to you if you take out a plan after 6 April 2012.

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 when we become aware that our interests, or those of our officers, conflict with your interests, we will take all reasonable steps to manage that conflict of interest. We will 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.

Law that applies

This policy is issued in the Isle of Man under the laws of the Isle of Man.

Currency and place of payment

All payments to us or by us under this policy shall be in the Isle of Man in the currency of the United Kingdom.

Returning to the United Kingdom

If you return to the United Kingdom within 12 months of the start of this policy and tell us within 18 months, the policy and your membership of the Aviva Personal Pension Scheme (Isle of Man) will be cancelled. If you return to the United Kingdom outside six months or tell us after 18 months, the policy will be paid up.

Retail Prices Index

The Retail Prices Index (RPI) means the Index published by the **UK** Office for National Statistics, or any other similar index we choose.

Accurate information

We rely on the information that you give to us. If any of the information given to us is not true or not complete and this might reasonably have affected our decision to provide you with this policy then we may:

- change the terms of this policy;
- restrict the benefits payable under this policy; or
- cancel this policy and refund the payments paid less our reasonable expenses.

Policy changes

We may change the terms of this policy for any of the following reasons:

- to respond, in a proportionate manner, to changes in the way we administer policies of this type;
- to respond, in a proportionate manner, to changes in technology or general practice in the life and pensions industry.
- to respond, in a proportionate manner, to changes in taxation, the law or interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply;
- to correct errors, if it is reasonable to do so.

If we consider any variation of these conditions is to your advantage or is necessary to meet regulatory requirements, we may make the change immediately and tell you at a later date.

We will tell you in writing of any change we consider is to your disadvantage (other than any change necessary to meet regulatory requirements) at least 30 days before the change becomes effective, unless it is not possible for us to do this, in which case we will give you as much notice as we can.

No third party rights

This policy does not confer any rights on any person or body other than the parties to the contract. No other person or body shall have any rights pursuant to the Contracts (Rights of Third Parties) Act 2001 to enforce any terms under this policy. The parties may amend or rescind this policy without reference to, or the consent of, any other person or body.

Conditions relating to payments

Payments made to this policy

We accept regular payments and single payments (including transfer payments).

We will agree a collection date for regular payments with you, or your employer.

Minimum or maximum levels for such payments will apply and we may change these from time to time (details available on request).

We may refuse or restrict the level of payments to comply with changes in taxation, the law or interpretation of the law.

If we restrict payments, we will tell you at least 30 days before this affects you, unless it is not possible for us to do this, in which case we will give you as much notice as we can.

Stopping regular payments

Regular payments can stop at any time.

In some cases you may be asked to restart payments before the end of any payment holiday you may have agreed. However, you will be able to stop payments again if you want to.

Transfer payments

This policy may accept transfer payments from the sources set out in the rules. These may be subject to restrictions required by the appropriate Isle of Man government authority. We will confirm the transfer amount we receive to you and tell you how we have dealt with it.

Company Pension @ Aviva (Isle of Man 89 Plan) and Isle of Man Personal Pension 89 Plan

If the transfer is from a UK scheme you may not be able to take any of your plan benefits before the age of 55.

Company Pension Freedom @ Aviva (Isle of Man Section 61 Plan) and Isle of Man Personal Pension Freedom Section 61 Plan

Where a transfer is proposed to be made in to a Section 61H Scheme (from an outside source) the total value of the Fund to be transferred shall be subject to a transfer fee of 10% of that total or such other fee as is prescribed by the Assessor. The transfer fee is deducted by the transferring scheme before transferring the balance of the funds.

Investments

Funds used for this policy

A group of investment linked funds and if available to your plan, our With-Profit Fund may be used. These may be restricted by your membership of the Group Personal Pension. The number of funds that you can invest in at any one time may be limited. There may be a minimum and maximum number of units that can be held in any fund at one time.

At all times the assets and units of all funds belong to us. We use them to work out the benefits to be provided by this policy.

We can close or merge any existing funds and can change the number and type of funds available. If this affects this policy, we will tell you. We will tell you at least 30 days in advance, unless external factors beyond our control mean that only a shorter notice period is possible. We will tell you of your options when this occurs.

We can also set up new funds at any time.

Investing payments

The investment content of each payment is:

- split and allocated in accordance with the way we are instructed into the appropriate arrangement(s), and
- used to buy units at the unit price in the chosen funds.

The allocation takes place at:

- the next valuation day after we receive a payment, but we reserve the right to use a later unit price if the use of the unit price that we next make available would allow you to use already known market data to your benefit; or
- the date that payment was due, if later.

The investment content of your fund is split equally between arrangements in place at that time.

Default investment approach

(this feature may not be available to your plan)

We will invest your payments in the default investment approach or default fund that has been selected for you.

We will tell you which default investment approach or default fund your payments will be invested in.

You can change where your payments are invested any time after your first payment is applied to your policy.

The default investment approach or default fund may change in the future as a result of the investment advice that we have obtained, your leaving the employment of your employer or the effect of legislation. In the absence of any investment decisions by you we may redirect or otherwise alter the investments held under this policy in line with this investment advice and any relevant legislation. If this applies to you then further details of the default investment fund or default investment approach you have been placed in will be sent to you.

Investment linked funds

(Restrictions may apply as to the availability of these funds)

Assets

For each investment linked fund, we decide which assets to include and when to buy and sell them. We do this in line with the fund's investment objectives. Income and gains from these assets are added to the fund. Losses relating to these assets are met from the fund.

We can borrow for the purposes of any investment linked fund and use its assets as security for a loan.

We can also use financial derivatives, such as futures and options, to assist us in effectively running the funds.

Deductions

We will make the following deductions from each investment fund where we have reasonably incurred or anticipated incurring:

- expenses connected with buying and selling assets and valuing, owning and maintaining them;
- interest on borrowings;
- taxes, duties, levies and other charges, including our management charges;

other expenses, taxes, duties, levies or charges which in the opinion of the Actuary should be paid from the fund. (This may include the cost of acquiring, disposing of, maintaining or managing assets of the fund and also other charges on the investment or income of the fund as reasonably determined by us).

Unit prices

Each investment linked fund is divided into units. We will value each fund at least once a month.

Each valuation is carried out to fix the buying price and the unit price of units. The unit price will be rounded to the nearest 0.01 pence.

The value of stock exchange investments will be based on quoted prices. The value of interests in land and buildings will be based on the latest valuations we have. However, we may make reasonable adjustments to take account of:

- changes in the prices of land and buildings since the last valuation in line with professional advice;
- regulatory guidance; and/or
- guidance issued by the Royal Institution of Chartered Surveyors (or another equivalent body).

The unit price cannot be more than the maximum unit price. We find this by:

1. valuing the assets of the fund relating to units of that particular type using the prices at which they could be bought plus the buying costs; and
2. dividing this by the number of units of the type in the fund and then rounding to the nearest 0.01 pence.

The unit price cannot be less than the minimum unit price. We find this by:

1. valuing the assets of the fund relating to units of that particular type using the prices at which they could be sold less the selling costs; and
2. dividing this by the number of units of that type in the fund and then rounding to the nearest 0.01 pence

With-Profit Fund

(Restrictions may apply as to the availability of this fund)

Unit prices

Each unit of the With-Profit Fund has a unit price, which is normally determined by Aviva on each working day. In any event, it is determined at least once in every month. Each unit of the same type will have the same value.

The unit price will increase as a result of the application of the latest regular bonus rate declared by Aviva, if any, at least once a year. The latest regular bonus rate declared will be used.

The unit price will be rounded to the nearest 0.01 pence.

Final bonus

We may pay additional sums when units are cancelled in accordance with the way in which we manage the With-Profits Fund. Details of how this is done are currently set out in the 'Principles and Practices of Financial Management for Aviva Life & Pensions UK Limited Old With-Profits Sub Fund and New With-Profit Sub Fund'. This is currently summarised in 'A guide to your with-profits investment and how we manage the fund – for customers investing through pensions'. Both of these items will be available on request for as long as they are maintained

Market value reduction

In order to ensure fairness of treatment between policyholders in the With-Profit Fund on the cancellation of units in this fund, we may reduce the unit price by applying a market value reduction. We will only apply a market value reduction where the actual investment return of the With-Profit Fund from the date we allocated units of that fund to your policy, to the date we cancelled those units is low in comparison to that credited to those units by Aviva by increases in the unit price and by the application of the final bonus rates.

We will give you written notice where the market value reduction is to be applied. Where you have been notified that a market value reduction is to be applied, you may ask us not to proceed with the cancellation unless you will shortly attain the maximum age by which you must take retirement benefits in line with the Scheme rules.

We may apply market value reduction when units are cancelled from this fund except:

1. if benefits are being taken at the original retirement date or at the maximum age you can take retirement benefits in line with the Scheme rules providing.
   a) the units being cancelled have been held in the With-Profits Fund for a continuous period of at least five years; or
   b) the units being cancelled relate to continued regular payments at the rate in force five years before the original retirement date; or
   c) the units being cancelled relate to increases in the regular payments referred to in b) above, that are due to automatic increases, either in line with increases previously agreed by us, or due to a change in earnings where regular payments are based on a percentage of earnings.
2. because of your death.
3. to pay for charges.

It should therefore be noted that a market value reduction can still apply at the original retirement date.

Further details about:

- how we increase the price of the with-profits units;
- how this price relates to the underlying performance of the investments we hold under the fund;

when and in what circumstances we will increase their **cash value** by applying final bonuses are currently available in 'A guide to your with-profits investment and how we manage the fund – for customers investing through pensions' and 'Principles and Practices of Financial Management for Aviva Life & Pensions UK Limited Old With-Profits Sub Fund and New With-Profits Sub Fund'. Both of these items will be available on request for as long as they are maintained.

Cancellation of units

The cancellation of units takes place using the unit price that we:

i. next make available depending on the time the request (together with all our reasonable requirements) is received by us, but we reserve the right to use a later unit price if the use of the next available unit price would allow you or somebody acting on your behalf to use already known market data to your benefit; or
ii. next make available on the day you specify if this day is later than the day above; or
iii. next make available on the day on which a cancellation is necessary under the terms of this policy.

The amount raised when units are cancelled is the cash value. The cash value raised when units in the With-Profit Fund are cancelled may make allowance for final bonuses and will allow for any market value reduction when applicable. Details of when we will not apply a market value reduction are given in the description of the With-Profit Fund.

We can delay the cancellation of units in any investment fund for up to one month. Where a fund invests directly or indirectly in land or buildings we may delay it for up to six months.

Cancellation of units in a fund may be delayed, where we consider that it is reasonable to do so having regard to all the relevant circumstances. We are only likely to consider it reasonable to do so where it is in the interests of the relevant investment or property funds, policyholders in general or individual policyholders, or we are unable to readily realise investments in the investment or property fund. Examples of this may include where:

a. there is a stock market crash;
b. there is a failure in infrastructure, such as the effect of a computer virus in the stock trading systems;
c. there is physical damage arising from events such as a terrorist attack, an explosion or flood;
d. we reasonably consider there is no suitable market upon which to sell the asset(s) of a fund;
e. there is any interruption of a stock exchange which materially affects the pricing of the units;
f. the sale of the asset(s) of a fund would lead to unfairness of treatment between policyholders.

We will tell you if and why a delay is necessary.

Where the unit price depends on the value of a fund that is outside our control, we can delay cancellation until we receive that value.

If we do delay, then the cancellation will take place on the next valuation day after the period of delay has ended, using that day's valuation figures.

We will not delay the cancellation of units if a payment is due under the rules other than a transfer payment before retirement.

In certain circumstances, we may further delay for such period as may reasonably be required, the cancellation, valuation, switching, surrender or any other dealings with the units in or valuation of any fund to either:

(i) match any period of delay or suspension imposed by manager(s) of any entity in which you have funds invested, or
(ii) where due to exceptional circumstances we reasonably consider that it is in the interests of planholders whose plans are invested in the fund to do so.

Cancellation of units to pay for charges will be proportionate between all investment funds in which units have been allocated. We will cancel the units bought most recently in a fund first.

Where applicable, if at any time charges still applying cannot be met by cancelling units, this policy will end without value.

Changing investment funds

Throughout the term of the policy you can change the investment funds in which your payments are invested and tell us to redirect future payments into new funds.

You can only change investment funds after your first payment is applied to your policy.

By writing to us, you can request that different types of payments are invested in different funds. Your choice may be limited. Any request you make to switch between funds will apply equally to all arrangements of the same payment type.

Once we have received your request, units are switched by cancelling at the unit price enough units to raise the **cash value** you requested.

After we have taken away any switch charge, the rest of this **cash value** will be used to allocate units at the unit price in the other fund(s) you have chosen.

If one of the Lifestage/Lifestyle investment approaches is chosen, all investments must be moved to the agreed funds and this section will no longer apply.

Lifestage investment approach

(Restrictions may apply as to the availability of this feature.)

A lifestage investment approach is an investment option that actively shapes how your money will be invested. As you get closer to your chosen retirement age, your money is automatically and gradually moved into different funds. This is to help prepare your pension pot for you to take your retirement benefits.

Payments

Payments will be invested to ensure a gradual movement between the funds and in the proportions selected. We calculate how far you are from retirement in order to ensure the correct allocation of units for your lifestage investment approach.

Existing investments

We will also rebalance your existing investments to ensure that they remain in line with the correct allocation of units for your lifestage investment approach and that there is a gradual movement of money between investment funds.

This means we will sell existing units and purchase new units in accordance with the different funds and proportions selected. The number of units to be switched will be calculated by checking how far you are from retirement and determining the correct proportion of units for each fund based on your lifestage investment approach. The frequency (either monthly or quarterly) of rebalancing is shown in the policy features.

Units will be switched by cancelling units in the existing fund(s) and using the cash value obtained to allocate units in existing and or new fund(s) in order to match the correct proportion of units for your lifestage investment approach. Both the cancellation and allocation of units will take place using the unit price available on the same day of the month, which will be the date your birthday falls. If we do not have unit prices available on that day we will use the nearest previously available unit price.

If the retirement dates are different for any non-protected and protected rights payments the lifestage investment approach will operate separately for each.

Selecting a different lifestage investment approach

You can select a different lifestage investment approach to more closely reflect your personal circumstances.

If you move to a different lifestage investment approach we will rebalance your existing investments to reflect the approach you have selected and how far you are from retirement. Once the initial rebalancing is completed we ensure that it remains in line with the correct allocation of units for your lifestage investment approach and that there is a gradual movement of money between investment funds.

Stopping a lifestage investment approach

You can stop a lifestage investment approach at any time. We will stop switching units and no future contribution redirections will take place.

You may wish to change funds, or choose a different investment option. If you do this, the existing lifestage investment approach must stop first.

Changing your retirement date

If you choose to change your retirement date before taking your benefits, your investments will be automatically rebalanced to the correct funds and proportions for your new retirement date.

If you do not take your benefits at your original or selected retirement date, your policy will remain invested in the funds and proportions appropriate for your retirement date. We will continue to rebalance your investments to maintain those proportions.

Leaving your employer

If you leave your employer you will continue to be invested in your existing lifestage investment approach. You can stop the lifestage investment approach at any time and invest in alternative funds or investment options. However, if your existing lifestage investment approach is a bespoke approach created by your employer, then if you choose to leave it you will not be able to go back into it at a later date. We will provide you with details of your options at the time.

Target retirement funds

(Restrictions may apply as to the availability of this feature)

Target Retirement Funds switch units within the fund itself. As you approach your retirement date, the funds will gradually move towards investments that prepare you for the type of benefit you wish to take at retirement.

Changing your retirement date

If you are invested in a Target Retirement Fund and change your retirement date, either by bringing it forward or moving it back, we will move your investments to the position appropriate to the time left until you retire.

Stopping Target retirement funds

You can stop using Target retirement funds at any time by choosing a different fund. We will stop changing your investments and no future payment redirections will take place.

You may wish to change funds or redirect future payments in a different way to the Target retirement funds approach. If you do this, the approach must stop.

Lifestyle investment approach

(Restrictions may apply as to the availability of this feature)

A Lifestyle investment approach is a choice of investment fund(s) that allows you to progressively move to different funds as you get closer to your chosen retirement age, to help prepare your pension pot for you to take your retirement benefits.

The fund(s) will be determined on the date the lifestyle investment approach starts. We may restrict the funds that can be used under this approach.

Payments will be invested in the funds and in the proportions shown in the Policy document. We will automatically redirect all payments at the dates shown.

When payments are redirected we will also start to switch existing units.

Switching units

The number of units to be switched from the fund(s) will be calculated each month as the number of units in a fund divided by:

- the number of calendar months remaining to the original or chosen retirement date, if different; or
- the next payment redirection date, if earlier.

The calculation will:

- include any units that have been allocated in that fund for further payments.
- exclude any units cancelled to pay charges.

Switching will apply equally to all arrangements with the same original or chosen retirement date, if different. If the retirement dates are different for any non-protected and former protected rights payments, the lifestyle investment approach will operate separately for each.

Units will be switched by cancelling units in the existing fund(s) and using the cash value obtained to allocate units in the new fund(s). Both the cancellation and allocation of units will take place using the unit price fixed on:

- the same day of each month as the original or chosen retirement date, if different; or
- the next valuation day if that day is not a valuation **day**.

Stopping a lifestyle investment approach

You can stop a lifestyle investment approach at any time. We will stop switching units and no future payment redirections will take place.

You may wish to change funds, or select an alternative lifestyle investment approach or redirect future payments in a different way to the lifestyle investment approach. If you do this, the approach must stop.

Changing your retirement date

If your retirement date changes, the lifestyle investment approach will automatically stop. You can restart the same or another lifestyle investment approach if there are at least five years to your new retirement date.

Lifestyle investment approach charges

There is no charge if a lifestyle investment approach is chosen at the start of this policy. If you start or stop the original or any other available lifestyle investment approach during the policy term we will treat this as a change. Two free changes will be available throughout the policy term.

At January 1995 the charge for the next ten changes was £20.00. We can increase this charge on each policy anniversary. It will not be more than £20.00 multiplied by the RPI on 1 September before the policy anniversary and divided by the RPI on 1 September 1994.

For the 13th change onwards the charge will be greater of 0.5% of the **cash value** of the whole fund and the charge above.

Phased Switching

(Restrictions may apply as to the availability of this feature.)

Phased switching is an investment approach that automatically switches your investment(s) as you get closer to your chosen retirement age.

This option can apply if there are at least five years to your retirement date.

Start of Phased Switching

Units will be switched from each of the investment funds chosen to the fund(s) shown in the Policy features. Switching will start from five years before the original or chosen retirement date, if different.

Switching will apply equally to all arrangements with the same original or chosen retirement date, if different. Future payments will not be automatically redirected when phased switching starts. The payments will be allocated to the funds you have chosen at that time until they are switched in line with this option.

Switching units

The number of units to be switched from the chosen fund(s) will be calculated each month as the number of units in a fund divided by the number of calendar months remaining to the original or chosen retirement date, if different.

The calculation will:

- include any units that have been allocated in that fund for further payments;
- exclude any units cancelled to pay charges.

Units will be switched by cancelling units in the existing fund(s) and using the **cash value** obtained to allocate units in the new fund(s). Both the cancellation and allocation of units will take place using the unit price fixed on:

- the same day of each month as the original or chosen retirement date, if different, or
- the next valuation day if that day is not a valuation day.

The number of calendar months to the original or chosen retirement date, if different, will not be more than 60.

The investment content of payments that are paid after Phased Switching starts will be allocated to the funds you have chosen.

Changing your retirement date

If, when we have started to switch units, we agree a different date from which retirement benefits will be paid and there are less than 60 calendar months to that date the automatic switching of units will stop.

If there are more than 60 calendar months to that date, the switching of units will stop and unless you tell us not to, we will start to switch units again when the number of calendar months to the new agreed date reaches 60.

Stopping Phased Switching

If you tell us to, we will stop switching under this option. You can also cancel Phased Switching before we have started to switch units.

If you choose one of the lifestage or lifestyle investment approaches, Phased Switching will no longer apply.

When we may change an investment approach

We may change or remove any investment approach for any of the reasons set out below. This may mean a change to the:

- funds within the investment approach
- mix of funds within the investment approach
- length of the investment approach
- name of the investment approach
- risk profile of the investment approach
- charges that apply in the investment approach

Some of these changes mentioned above may mean the charge and/or risk ratings change. They could go up or down to reflect the charges and/or risk ratings of the new funds and their relative proportions. If any or all the above changes happen, we will make information available about the change. However, we will not write to you before any or all the changes or ask your permission to make any or all the changes. After we make any or all the above changes to the investment approach, we will tell you about the change as soon as practically possible. This could be up to a year after we make the change.

We reserve the right to make any or all the changes listed in the above bullet points to investment approaches when there are:

- changes in applicable law, regulation (including guidance issued by an appropriate regulator) industry codes of practice or generally accepted industry practice which affect your investment approach
- changes in how the London Stock Exchange or other relevant investment or regulated markets may work which may impact on the operation of your investment approach
- changes in investment/share dealing administration or other infrastructure facilities, systems or means of communication which impact on the provision and operation of your investment approach
- changes to services relating to your plan supplied to us by third parties which are outside of our control which need additional expenditure by us
- changes in circumstances or the happening of any event which means the investment approach operates in a way which is unfair to you or our other policyholders
- changes resulting from the introduction of new systems, services, and changes in technology
- changes in circumstances or the happening of any event which makes it impossible, impracticable, or economically unviable for us not to make a change to the investment approach. We will only do this so long as any such change is not unfair to you or our other policyholders
- changes needed to amend an error where it is reasonable to do so
- changes required for appropriate governance reasons to implement legislation or regulatory changes or best practice.

And the change or changes are in our opinion reasonably required.

You can change your investment instructions at any time.

Charges

Below we outline the charges you may pay on your pension 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 will tell you if we do this.

Allocation rates

A formula is applied to your payment(s) to determine the amount used to purchase units in your chosen investment fund(s). This formula is known as the Allocation Rate.

The Allocation Rate determines the investment content of the payments. Where the amount used to purchase units is less than the amount you have paid, the difference is used to pay commission to your Adviser.

If your Adviser changes the amount of commission paid, then the Allocation Rate may also change. Any revised Allocation Rate will apply to all your future payments.

The Allocation Rate applied to your initial payment(s) is shown in your plan details, if applicable.

Annual Fund Charge

The Annual Fund Charge is the charge that is applied to the policy. It may include the cost of commission. The Annual Fund Charge may be made up of an Annual Management Charge and an Annual Fund Charge Adjustment, if applicable. Information about these two elements of the annual fund charge are set out below.

Annual Management Charge

On each valuation day we will deduct a management charge from each investment fund.

The annual rate of the management charge for each fund is set from time to time. The amount of the management charge on a valuation day is:

$$\frac{A \times B \times C}{365}$$

A = The rate of charge.

B = Value of fund used to calculate the maximum buying price.

C = Number of days since the last valuation day.

There will be no double charging if a fund invests in units of another of the funds available for this policy.

A similar charge is allowed for when we declare bonus rates for the With-Profit Fund.

We may vary the Annual Management Charge for any of the following reasons:

- to reflect, in a fair manner, changes in costs relating to taxation, the law or decisions or recommendations of an Ombudsman, regulator or similar person.;
- where there are changes in the costs of fund management;
- to reflect changes in the costs which we reasonably incur in carrying out the administration of this policy.

We will write to you at least 30 days before the change has any effect on you.

Annual Fund Charge Adjustment

The Annual Fund Charge Adjustment is a positive or negative adjustment to the Annual Management Charge. This is dependant on whether the Annual Fund Charge is greater or less than the Annual Management Charge; for example if the Annual Management Charge is 1% and the Annual Fund Charge is 0.75% the adjustment is 0.25%.

If this adjustment is negative, units will be added to the policy each month beginning one month after the start date. This will be done proportionately between all funds in which units have been allocated.

If this adjustment is positive, units will be cancelled from the policy each month beginning on the start date. We will cancel the units bought most recently in a fund first.

The amount of the Annual Fund Charge Adjustment calculated each month will be:

$$\frac{A \times B}{12}$$

A = The rate of adjustment.

B = **Cash value** of fund.

For units in the With-Profit Fund, the value may make an allowance for final bonus.

Different Annual Fund Charge Adjustments may apply to:

- funds built up by different types of payments.
- each different single payment and/or transfer payment if made at different times.

Additional yearly charge

With certain funds you will have to pay an additional yearly charge, which reflects the extra cost of managing these funds. This charge is paid by cancellation of units. The charge will vary depending on the fund you are invested in.

Fund manager expense charge

A fund manager expense charge (FMEC) may apply for some funds. It covers the fund manager's expenses connected with buying, selling, valuing, owning and maintaining the assets and is taken, generally each day, by reducing the unit price for the fund. It will change in the future when the expenses charged to the fund change. The charge depends on your choice of funds.

Total additional yearly charge

This is the total sum of the additional yearly charge and any fund manager expense charge (FMEC).

Charges for advice deducted and paid to your/the scheme adviser

If you or your employer has received advice from a financial adviser relating to your pension they may have arranged for this to be paid for by deductions from your plan. This charge for the advice, known as commission, will be included in your Annual Fund Charge.

A charge may also be levied if you have received individual advice from a financial adviser and agreed to pay this charge through your plan.

Adviser Charges are paid by cancellation of units from your plan.

Our other charges

If we repay some of the payments in accordance with the rules of this policy we may make a reasonable charge to cover our additional costs.

If we agree to provide you with a service which is not within the range of services normally involved in running this policy we may make a charge. We will tell you how much this will be and how you can pay it.

Retirement benefits, death benefits and transfer payments

Date retirement benefits become payable

You can choose to take retirement benefits at any time from 50 (89 Plan) and 55 (Section 61 Plan), even if you're still working. You must take your benefits no later than your 75th birthday.

The date(s) when retirement benefits were originally due to be paid is shown on your plan details as the original retirement date. If you change the date, your new retirement date will be shown as your chosen retirement date. You may be able to choose to take retirement benefits from separate arrangements at different times.

When you start taking retirement benefits from an arrangement we may refuse to accept further payments to that arrangement.

In order to ensure that we pay the correct amount of benefit to the correct person we will ask for certain information or documentation to be provided to us. Your benefits will not start until we have received this information, even if this is after your chosen retirement date. Your benefits must start on or before your 75th birthday.

This information or documentation may include a birth certificate, marriage or civil partnership certificate, bank account details and evidence that the person claiming any benefit under the policy is entitled to do so. We will let you know what evidence needs to be provided at the time it is required and will tell you where this information should be sent.

You may be able to access your retirement benefits earlier if you are unable to work due to ill health or incapacity and you meet the ill-health condition. This is set out in detail in the rules.

The value of retirement benefits available

The value of the benefits payable is the cash value obtained by cancelling units allocated to each selected arrangement.

The **cash value** will be calculated and payable at the unit price fixed on:

- the next valuation day after we've received your instruction to pay benefits and all our reasonable requirements have been met; or
- your 75th birthday, or the previous valuation day if that day isn't a valuation day.

The **cash value** will be used to provide retirement benefits in accordance with the rules. You can choose the form of benefits you receive, within the rules, until your 75th birthday.

At retirement, the rules that then apply may allow part of the fund within each arrangement to be taken as a lump sum.

The restrictions on how and when benefits can be paid are in the rules.

Age 75

You can't hold any Funds in your plan on or after your 75th birthday and can't make any further payments into your policy (either single, regular or transfer payments). You must ensure that we receive your instructions and all of our requirements at least one day before your 75th birthday. You may only choose the form of benefits you receive, within the rules, before your 75th birthday. If when you reach 75 years of age no contact is made with Aviva then an annuity will be set up.

The amount of death benefits payable

This section does not apply to you if you reach age 75 without giving us any retirement benefit instructions. Under those circumstances, the death benefits available will be those under the annuity created at your 75th birthday.

We will pay benefits if any arrangement still exists when you die. The amount will be the **cash value** obtained by cancelling units allocated to all remaining arrangements calculated at the unit price fixed on the next valuation day after we are told of your death. We will not make any payments until all our reasonable requirements have been met.

The rules may allow for the total **cash value** to be paid as a lump sum.

Instead of the lump sum payment, you may choose to use the **cash value** to buy a pension for your spouse, civil partner and/or dependants under the rules. You must tell us about this choice in writing before your death.

Payment of lump sum death benefits

If any lump sum(s) are payable and at that time we are satisfied this policy is written under a trust where no beneficial interest in a death benefit could be payable at your direction to:

- your estate; or
- your personal representatives; and
- your estate or personal representatives were not the sole object of the trust at its inception.

we will pay the money to the trustee(s) of that trust.

However, if we are not satisfied there is such a trust we will pay the lump sum(s) at our discretion to, or for the benefit of, any one or more of:

- any person or persons, including trustees, whose names you have given us in writing;
- your widow or widower or surviving civil partner;
- your children including adopted children;
- your estate.

Transferring your funds

Where permitted, in accordance with the terms of the rules you can transfer your rights to another scheme. We will cancel all the units from the agreed arrangements and transfer the **cash value** to the other scheme.

We may delay the cancellation of units for the reasons stated in the 'Cancellation of units' section above.

We will not make any payment until all our reasonable requirements are met.

Please look at the 'Cancellation of units' section for details of when units will be cancelled.

Where a transfer is proposed to be made in to a Section 61H Scheme (from an outside source) the total value of the Fund to be transferred shall be subject to a transfer fee of 10% of that total or such other fee as is prescribed by the Assessor. The value of the Fund shall be determined as at the date the transfer fee is deducted by reference to the then known circumstances. The transfer fee shall be deducted from the sum to be transferred prior to the transfer being made.

Where a transfer fee is payable, the Scheme Administrator shall pay the fee to the Assessor on the day on which the fee is deducted and notify the Assessor of:

(a) the amount of fee paid;

(b) the value of the Fund immediately prior to the payment of the fee;

(c) the scheme's reference number;

(d) the name of the scheme;

(e) the full name, date of birth and tax reference number of the individual to which the Fund relates.

The transfer to the Section 61H Scheme shall only take place after the Scheme Administrator has received notification from the Assessor that the transfer fee has been received.

Contacting us

If there is something you want to know about your company pension scheme, you should ask your employer first. If there is something you want to know about your personal pension, you should ask your financial adviser first. If you would like to speak to us directly, please use the contact details below.

Call 0800 145 5744

Email contactus@aviva.com

Write to Aviva
PO Box 520
Surrey Street
Norwich
NR1 3WG

Lines are open Monday to Friday, 8am to 6pm.
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