Retirement
Investments
Insurance
Health

Key Features of the **Stakeholder Pension Scheme**

keyfacts®

Reference MPEN30M3-T NE16003 07/2021

The Financial Conduct Authority is a financial services regulator. It requires us, Aviva Life & Pensions UK Limited, to give you this important information to help you to decide whether our Stakeholder Pension 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.

Statement of demands and needs

A Stakeholder pension is a great way to save for your life after work. It meets your demands and needs for a pension, so you'll have a pot of money to help support you when you retire.

Your employer sets up your Stakeholder pension and arranges for your regular payments to go directly from your salary to your pension, meaning you don't have to do anything. With money going in every month, you'll gradually build up your pot over your working life.

Please read this document with the enclosed illustration. Where relevant information is contained in other documents these will be signposted at the appropriate point. You need to be comfortable that you understand the benefits and risks of this plan before deciding whether to invest. The purpose of this document is to help you to make an informed decision. However, we recommend that you seek professional advice before you make any decisions about this policy. In some cases you must take independent financial advice before transferring your benefits.

This document is aimed at someone taking out a new policy.

What is the Stakeholder Pension Scheme?

It is a pension policy which forms part of the Aviva (No.4) Stakeholder Pension Scheme EP. The Stakeholder Pension Scheme is a collection of individual stakeholder pension policies arranged by an employer for their employees. It is designed on a group basis so that it is easier to administer. Each policy is a long term investment policy designed to help you invest for your retirement.

Stakeholder pensions have to meet certain standards and obey certain rules. This policy meets all the stakeholder legislative requirements.

Through the Stakeholder Pension Scheme you can invest in up to ten investment funds. These funds invest in different types of assets, which tend to fall into four main categories: Money Market, Fixed Interest, Property and Shares. **For further information, please refer to the 'How contributions are invested' guide.**

If you would like further information about the Stakeholder Pension Scheme, please see the Policy conditions of the Stakeholder Pension Scheme.

Your policy conditions may also be referred to as your Terms and conditions and vice versa.

You will read references to 'us' or 'we'. This means Aviva Life & Pensions UK Limited, the provider of your policy.

Should you consider this policy?

You should consider joining this policy if:

- you want to invest for your retirement;
- you are aged under 75;
- you are resident in the UK;
- you are at least the minimum age required for the scheme;
- you can afford the contributions due;
- you are prepared to keep your personal fund invested until you are eligible to take benefits;
- you have considered any other pension scheme that your employer may offer.

Helping you decide

- This document gives you a summary of information to help you decide if you want to join the Stakeholder Pension Scheme.
- You should also read and keep safe:
  - the investment/fund literature
  - the illustration that shows how much you may get in the future.
  - the 'How contributions are invested' guide
  - the Policy conditions of the Stakeholder Pension Scheme.

  You should ask if you've not received any of these items.
- After we have invested contributions into your policy, we will notify you of the availability of our investment guide. This gives details of the available investment funds should you wish to make your own investment choices. If you need a copy beforehand, please contact us.

Its aims

To enable you to build up a personal fund in a tax efficient way, to provide pension benefits.

To provide benefits on your death to your dependants and beneficiaries.

Your commitment

To make regular and/or one off contributions to your personal fund. These contributions can be paid by you, your employer or a third party.

If your employer contributes to your personal fund they may require that you also make contributions.

To review your policy regularly to ensure your investment funds still meet your needs.

To understand that funds remain invested until you decide to take your benefits. You cannot normally take these benefits before age 55. You must decide what you wish to do with your policy by age 75.

To tell us if you stop being eligible for tax relief on your contributions. For example, if all your pension contributions in a tax year are greater than your earnings for that tax year.

To tell us if you have flexibly accessed your money purchase pension savings. **Please refer to the 'What about tax?' section later in this document.**

Risks

- The value of your personal fund may fall as well as rise and is not guaranteed. This could mean that when you choose to take your pension benefits, the value of your personal fund could be less than the amount paid in.
- The pension benefits you receive from this policy may be lower than illustrated. This could happen for a number of reasons. For example, if:
  - you start taking your pension benefits earlier than your illustrated retirement age;
  - you, your employer and/or a third party stop or reduce contributions or there has been a break in contributions paid;
  - investment performance is lower than that assumed;
  - charges increase above those assumed;
  - tax rules change. The tax information provided here is based on our interpretation of current legislation which is subject to change and individual circumstances;
  - annuity rates provide lower pension benefits than those assumed in the illustration. This might be because:
    - interest rates when you retire are lower than illustrated; or
    - life expectancy when you retire is greater than that assumed in the illustration.
- It is important to understand that the Stakeholder Pension is denominated in British pounds. So if you invest in a fund that is denominated in a different currency, there is an additional risk that your investment could lose value because of changes in exchange rates between the different currencies.
- If you join this Stakeholder Pension you should bear in mind that any pension income you receive in retirement could affect your entitlement to means-tested state benefits.
- Inflation will reduce the spending power of your pension benefits.
- Some of the funds in which you can invest may carry additional risks because of the types of asset they may hold. **For further information, please refer to the 'Choosing your investment funds' guide.**

Questions and Answers

1 Can I change my mind?

Yes. You can change your mind within 30 days. If you decide to invest in this policy we will send you a cancellation notice. You will then have 30 days to cancel your policy.

Please send your cancellation notice to the address shown in the 'How to contact us' section later in this document.

If you do not wish to cancel, simply ignore the cancellation notice. Your policy will continue in accordance with the Policy conditions.

- **Regular contributions**

  If you cancel within 30 days you will receive back any money that you have paid. Any employer contributions will be returned to your employer.

- **A lump sum payment – either a single payment or a transfer of benefits from another pension scheme**

  You have 30 days in which to change your mind, beginning from the date that you receive our confirmation that your payment has been invested. You must notify us in writing at **Aviva, PO Box 1550, Salisbury SP1 2TW,** within the 30 day period if you wish to cancel your lump sum payment.

- If you cancel within 30 days, we will refund the amount received less any fall in value that has occurred before we received your written cancellation instruction. This means less may be returned than was invested. We will return the payment to whoever paid it to us.

  Note; if the payment is a transfer, the transferring scheme may not accept it 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 Aviva.

  If you are planning on starting Income Drawdown, please see section 'Income Drawdown – can I change my mind about starting Income Drawdown?' for more information.

2 How can I contribute to my policy?

What contributions can I make?

You, your employer and/or a third party can make regular or single 'one-off' contributions at any time. There is no minimum contribution limit for your scheme.

You can make regular contributions based on a fixed amount or a fixed percentage of your pensionable salary.

You, your employer and/or a third party can change the level of contributions.

If you make regular contributions, your employer will deduct them from your salary and add them to any contributions they make, before forwarding the total amount to us for investing.

There may be a delay before contributions are paid from your employer to us. For example, your employer may wait until the end of your opt out period before paying contributions to us, in case a refund of contributions is required.

Contributions will be invested when your employer instructs us to collect the contributions from them.

You would normally make single 'one-off' contributions by cheque. Charges apply to additional investments as if they are a new initial investment and additional investments will attract their own cancellation rights. Like the initial investment their value can fall as well as rise and is not guaranteed.

As an alternative to having your contributions deducted from your salary as described above, your employer may operate a 'salary sacrifice' arrangement. This means that you agree to a reduction in your basic salary and in return your employer will increase the contributions that they make into the policy, by paying in an amount at least equivalent to the amount that you have sacrificed. You should contact your employer for further details of this.

Salary Sacrifice can offer valuable savings in tax and National Insurance Contributions; however, it may not be suitable for everyone as it could reduce the amount you can borrow, size of income protection payments and access to certain state benefits. If you are in any doubt about its suitability for your own personal circumstances you should take financial advice.

Maximum contributions

There is no limit on the contributions that can be made by your employer but there is a limit on personal contributions (those paid by you or others on your behalf) that can be paid into your personal fund. Your personal fund can only accept personal contributions that will attract tax relief. **For more information about contributions and the limits placed on the total contributions and tax relief you can benefit from, please see the 'What about tax?' section later in this document.**

Can I stop or vary contributions?

Yes. You, your employer and/or a third party can stop making, or vary the amount of contributions, at any time. However you should note the following:

- Fewer and/or reduced contributions will reduce the fund available at retirement.
- If contributions are stopped or reduced the existing value of your personal fund will remain invested and charges will continue to be deducted. If the policy has not been in force for long or its value is small, the ongoing charges may significantly reduce the future value of the fund.
- If you reduce your own contributions, your employer's contributions might also reduce or even stop completely.
- If employer contributions stop then employee contributions may have to stop also.

What happens if I leave my current employer?

Employer contributions will stop, however you can normally keep paying into the Stakeholder Pension Scheme. If your previous employer contributed to your policy, your new employer does not have to.

Can I restart contributions?

You can restart contributions at any time, as long as you are still eligible to contribute to the Stakeholder Pension Scheme. You may also be able to make up any contributions you missed.

If you are considering stopping, reducing, restarting or increasing contributions, please request an illustration in order to see how this may affect the value of your personal fund at retirement. Please contact us using the details shown in the 'How to contact us' section later on in this document.

3 How does my policy work?

Where are contributions into my policy invested?

You can choose where to invest your contributions from the range of available funds. **Full details can be found in the 'Choosing your investment funds' guide and the 'Fund descriptions, their charges and risk warnings' document.** The funds invest in different assets such as stocks and shares, and in different markets and countries. You can invest in up to 10 different funds at any one time, and investments must be expressed in whole percentages.

The default investment

The default investment is a fund into which your contributions, and your employer's if applicable, will be automatically invested if you do not select your own investment fund(s). **The default investment fund for this policy is detailed in the 'Choosing your investment funds' guide.**

What are units and unit-linked funds?

Each unit-linked fund is notionally divided into units of equal value and contributions are used to buy units in your chosen fund(s). The allocation of units to you is notional and for the sole purpose of determining the value of your benefits under the policy. You do not have any legal or beneficial ownership of the assets in the funds. The value of your investment on a particular date is calculated by multiplying the number of units you hold by their price at that date.

The unit price of a fund will take into account the costs of buying or selling assets of the fund, e.g. dealing costs and taxes, depending on whether the fund is predominantly buying or predominantly selling assets, either on a given date or over the longer-term. The difference between the prices on these two bases can vary and may be significant. This means you may get back less than you expect, especially with regard to property funds where the difference could exceed 7%. **You can get more information from 'Our unit-linked principles and practices' document which can be found at www.library.aviva.com/tridion/documents/view/xg473.pdf.**

Unit prices are not guaranteed. They go up and down in line with fluctuations in the value of the funds' assets. As unit prices go up and down, so does the value of your personal fund. This also means that the value of your personal fund at retirement could be lower than the amount paid in.

How will I know how my policy is doing?

We will send you an annual statement to show how your policy is doing. You should review your contributions and the investment performance of your fund(s) regularly.

You may want to have a regular review with a professional financial adviser.

Can I switch between investment funds?

Yes. You can write to us and ask us to switch units from one fund to another. You can obtain a 'Fund Switch' form from us at the address shown in the 'How to contact us' section later in this document.

Aviva does not currently charge for switching, but a charge could be introduced in the future in accordance with the Policy conditions for the Stakeholder Pension Scheme.

We reserve the right to delay the switching of funds for up to one month, and six months for funds that invest in property. In exceptional circumstances these periods may be extended for as long as is necessary and is fair to policyholders who are invested in the fund. Any transactions deferred will then be based on the unit price at the point the transaction takes place and not the date that it was requested.

For further details, please refer to the 'Policy conditions of the Stakeholder Pension Scheme'.

Can I transfer my policy to another provider?

Yes. You may transfer your policy to a registered pension scheme with another pension provider, such as a new employer's pension scheme, or to a qualifying recognised overseas pension scheme.

You should seek financial advice before considering any transfer.

4 What are the charges?

The accompanying illustration shows the charges for your policy. Please note that charges reduce the potential for growth.

Annual management charge

The annual management charge we take can cover:

- the cost of setting up and administering your policy;
- the cost of managing the funds;
- the cost of investing your contributions;
- the cost of any advice received (unless a fee is being paid to an adviser);
- any other costs reasonably incurred.

The annual management charge accrues daily over the course of the year, and will be taken monthly by deducting units from your funds. The charge will be calculated as a percentage of the value of your personal fund. It may vary depending on the fund(s) chosen.

There are a number of circumstances that could lead to an increase in the annual management charge such as tax rule, legislative or regulatory changes or staff and overhead costs (which are reasonable in amount and reasonably incurred) being higher than we expect. In some cases the costs of using 'third parties' could be more than we expected. (A third party is any party which is not Aviva.) In some cases, there may be an increase in the cost of administration or in fund management costs. However, the charges will never exceed the maximum permitted by the Government.

We will write to you giving you 30 days' notice if there is any change to the charges or, where we are unable to give you 30 days' notice, we will give you as much notice as is reasonably practicable.

For details of the available funds and the annual management charge, please refer to the 'Choosing your own investment funds' guide.

Fund Expenses

Some funds may have additional costs which are reflected in the unit price. These are known as fund expenses and are made by the fund manager to cover the cost of running the fund. This can include custodian and audit fees, and commission on the buying and selling of assets. Fund expenses vary depending on the fund chosen.

External Fund Charges

You may invest in funds from other fund managers. These funds may have higher management charges.

Further information about external funds, the available funds and their charges can be found in the 'Choosing your own investment funds' guide.

5 What choices will I have on retirement?

What benefits are available to me?

This section explains what benefits are available to you and when. We will contact you approximately six months before your chosen retirement date to give you more details.

When can I take my pension benefits?

- We set up your policy to provide benefits from your retirement date. You can change your retirement date at any time.
- You can start taking your benefits from your 55th birthday. You can start taking your benefits even if you are still working.
- If you have a protected pension age or retire early because of ill-health, you will normally be able to take your benefits before your 55th birthday.
- The latest age at which you can take your benefits under this policy is currently 75. No further contributions can be paid after this age. Legislation allows you to delay taking your benefits until after age 75, with no upper age limit. If you wish to do this, you will need to transfer your policy to another plan before your 75th birthday.

How much will I get?

- When you are ready to take your pension benefits the amount you get will depend on your policy's value, which is not guaranteed.
- Please see your illustration for an idea of what you might get.

How can I take my pension benefits?

You will have a fund that you can use to provide benefits. There are currently several options available and when you take your pension benefits you should speak to your financial adviser for help in determining which option(s) suits your needs best. This is important as 'shopping around' could help you obtain a higher income.

The options are set out below. You can choose more than one option.

A - Annuity

- You can use all or part of your pension fund to purchase an annuity.
- You can normally take up to 25% of the part of your pension fund you're using to provide benefits as a tax-free lump sum and use the remaining amount to purchase an annuity, an insurance policy that will give you a guaranteed income, subject to tax. See the 'What about tax?' section for further details.
- An annuity does not have to be purchased from us. It is important to shop around as you may be able to secure a higher income.
- The amount of the annuity payable will depend upon a number of factors such as the amount you pay for it, the type of annuity purchased, the provider selected, your age and your health.
- Your illustration shows the potential annuity you might get when you reach your chosen retirement date.
- You can't change your mind once you have started to receive your annuity payments.

B - Lump Sum

- You have the option to take all or part of your pension fund as a lump sum.
- Under this option, 25% of the lump sum you take will be paid to you tax-free, with the balance subject to tax. See the 'What about tax?' section for further details.
- There is no minimum amount that you can take as a lump sum.
- If further contributions are to be paid into your policy or another money purchase pension scheme, your annual allowance may reduce if you take a lump sum payment from your policy. Please see section 'What about tax?'.
- You can't change your mind once you have started to receive your annuity payments.

C - Transfer

- You can transfer your policy to another registered pension scheme. Other registered pension schemes may allow additional options.

D - Income Drawdown (also known as Flexi-Access Drawdown)

- This option allows you to take income directly from your policy while leaving the remaining fund invested.
- You can normally take up to 25% of the part of your pension fund you're using to provide benefits as a tax-free lump sum and designate the remaining amount for Income Drawdown. Any subsequent withdrawals are taxed as income. Please see section 'What about tax?' for more details.
- You can use all or part of your policy to move into Income Drawdown. We will start an Income Drawdown pot within your Stakeholder Pension Scheme. There is no minimum amount you have to move into Income Drawdown.
- You can take income from your Income Drawdown pot on an ad hoc basis and/or regular income on a monthly, quarterly, half-yearly or yearly basis. Regular and ad hoc income will be taken proportionally across all investments in the drawdown pot.

- In certain circumstances, we may need to delay transfer, switching funds and payments (including tax-free lump sums and income payments). 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 up to one month for most funds or up to six months for funds fully or partly invested in property. In exceptional circumstances, this period can be extended. We'll let you know if and why we need to delay payments, transfer and switching funds.
- Choosing your investments for your Income Drawdown pot is an important decision. There is no default investment choice that applies to your Income Drawdown pot so you should review your existing investments as you move them into Income Drawdown and regularly thereafter. You should feel confident about making your own investment decisions, or take financial advice.
- If further contributions are to be paid into your policy or another money purchase pension scheme, your annual allowance will reduce if you take any income in addition to your tax-free lump sum. Please see section 'What about tax?'
- You can start Income Drawdown using your policy or alternatively transfer your policy to another pension provider who offers this. It is important to shop around as it could help you obtain better terms.
- It is not possible to transfer other Income Drawdown pots that you may have with other pension providers to this policy.

Income Drawdown - key risks

- The value of your policy that remains invested can go down as well as up and is not guaranteed. You could get back less than has been paid in.
- Your future pension income from your Income Drawdown pot is not guaranteed as the pot value depends on any income taken, investment performance and charges. Your pot can run out.
- If you take all or a significant amount of your pension savings from your Income Drawdown pot and have no other provisions, this may reduce your ability to provide a sustainable income or provide for dependants in the future.
- There is no guarantee you will get more income compared to the purchase of a guaranteed income through an annuity.

For information on the risks associated with all the available options, please see our 'Making sense of your retirement options' document.

Income Drawdown charges

- The charges covered in section 4 'What are the charges?' cover your policy and Income Drawdown pot. If both pots are used the charges will be taken proportionately across them.
- We do not currently make an additional charge for moving into Income Drawdown. If this is to change, we will let you know.

Income Drawdown - can I change my mind about starting Income Drawdown?

- Yes. You have 30 days in which you can cancel your option to start Income Drawdown payments. Your cancellation period starts when you receive confirmation from us that your Income Drawdown pot has started. You must notify us in writing at Aviva, PO Box 1550, Salisbury, SP1 2TW.
- You can't cancel your decision to take a tax-free lump sum from your policy, or your designation of funds into the Income Drawdown pot.
- If you decide to cancel you will have to return any income payment(s) to us within 30 days of your notification of your wish to cancel. Returned payments will be invested in the same fund(s) from which they had been taken. You will receive the price(s) on the date of reinvestment.
- If you no longer wish to have an Income Drawdown pot with us, you can transfer it to another pension provider at any time. Alternatively at any time you can use your pot to buy an annuity. The annuity income you are able to buy may be lower than would have been available to you before entering income drawdown.

Information available to you

The Money Advice Service publish a free printed guide, 'Your pension – it's time to choose', which is available on their website, www.moneyadviceservice.org.uk.

Your retirement choices are some of the most important decisions you'll ever need to make. We recommend you get guidance or advice to help you decide what to do with your pension savings. Pension Wise is a government service offering free and impartial guidance on retirement options to those over 50. This tailored guidance is available online, over the phone or face to face **www.pensionwise.gov.uk** or call **0800 138 3944**.

6 Can I transfer money in from another pension scheme?

Yes. If you are a member of another registered pension scheme or qualifying recognised overseas pension scheme, you may be able to transfer any benefits you have not already taken to this scheme.

When making a transfer payment from a defined benefit pension, your pension benefits are converted into a cash equivalent before being transferred into your policy. The cash equivalent will be guaranteed for three months, as per your illustration. You must tell the transferring scheme that you wish to go ahead with the transfer within three months in order to receive the cash equivalent value. The transferring scheme must then complete the transfer within six months from the start of the guarantee period.

Transferring pensions may not be the right choice for everyone. It can be a complex decision and you need to consider and compare the features, charges, fund ranges and any valuable benefits that could be lost. Before making a decision on whether to transfer benefits, we strongly recommend that you speak to a financial adviser. In some cases you will be required to do so before a transfer can proceed - the transferring scheme will provide more information if this applies. You will have to pay for any advice you receive.

Are there any risks specific to transferring payments in?

The risks which are specific to transferring payments in are:

- Once the transfer payment has been made, you won't have any rights to benefits under your previous scheme or arrangement. You may be giving up:
  - a guaranteed pension income or one that is linked to your earnings when you left the company;
  - guaranteed annuity rates, which could provide you with a higher level of income than may be offered on the open market;
  - increases in the value of your pension before and after you retire;
  - a pension that will let you access it before age 55;
  - a pension that lets you take more than a 25% tax-free lump sum;
  - scheme benefits which your dependants would receive if you die before you retire;
  - possible entitlement to additional bonuses if you're currently invested in a with-profits fund. A market value reduction (MVR) may also be applied to your transfer payment which would reduce the value of your benefits.
- Many occupational pension schemes which were contracted out of the State Second Pension and/or the State Earnings Related Pension Scheme had to provide guaranteed benefits which replaced these state benefits. Any replacement benefits are not guaranteed. The benefits we pay may be less than the benefits you are giving up.
- Any benefits could be less than those you would have received from your previous arrangement. In particular, you may be too close to retirement to achieve sufficient growth for this scheme to provide greater benefits.
- If you decide to cancel the transfer, it may not be possible to get the transfer value back to your original arrangement.
- We don't charge to accept a pension transfer, but there may be a charge from your existing pension provider if you transfer your pension from them.
- When you make a transfer payment there will be a period when you are not invested - this is known as 'out of market exposure'. This period lasts for as long as it takes for your previous pension provider to transfer the cash value of your pension to us. This means you may miss out on any potential growth while the transfer is taking place.

7 What happens to the policy if I die?

If you die before you take all your pension benefits, then the remaining value of your policy can be paid as a lump sum.

The lump sum will be paid to your family members or any other parties we select, at our discretion, in accordance with our Scheme Rules.

You can nominate who you would like us to consider paying by completing a nomination form. We will take the nomination into account but will not be bound by it.

If you have set up a trust for your account we will pay the lump sum to the trustees, of that trust, who are then responsible for paying the trust's beneficiaries. **Please see the Policy conditions for more details.**

8 What about tax?

This is a registered pension scheme and must follow HM Revenue & Customs (HMRC) rules on contributions and benefits. If these are not followed you could end up paying more tax than you planned to.

The following information provided here is based on our interpretation of current tax legislation. Your tax treatment depends on your main place of residence as advised to us by HMRC and your other individual circumstances. The tax treatment may be subject to change in the future.

What about tax when money is paid into my policy?

When you make contributions into your personal fund you are normally entitled to tax relief on the contribution. To obtain this tax relief your contributions are paid to us net (after deducting basic rate tax from the amount of the contribution). We then claim back from HMRC the basic rate tax deducted and use it to increase the contribution into your personal fund.

If you pay more than basic rate tax, you may be able to claim further tax relief through your self-assessment form or coding. Please see 'A guide to claiming tax relief over the basic rate' for more details.

You are entitled to tax relief provided your total gross pension contributions do not exceed the greater of £3,600 or your relevant UK income for the tax year.

If you are transferring money from another pension policy into this one then you will not receive any tax relief as this money will have already benefited from tax relief.

If your employer operates a 'salary sacrifice' (also known as 'salary exchange') arrangement then you will receive tax benefits in a different way. Please contact your employer for further information.

Annual Allowance

HMRC puts a limit on the total amount that can be paid into all your pension arrangements each year before a tax charge is payable. For the 2021/22 tax year this annual allowance is £40,000. Anything paid in above this may incur a tax charge.

If you earn more than £200,000 (2021/22 tax year) your annual allowance may be reduced.

If you flexibly access your pension savings your annual allowance in respect of money purchase pension arrangements* is reduced for the current and future tax years. For the 2021/22 tax year this reduced annual allowance, the money purchase annual allowance (MPAA), is £4,000. The provider of the arrangement you have accessed will notify you if this applies.

*A money purchase pension arrangement builds up a pension pot based on contributions from you and/or your employer.

You can find out more about the annual allowance on the HMRC website at **www.gov.uk/tax-on-your-private-pension**. If you think you might be affected then we strongly recommend that you receive individual tax advice. For more information about tax please refer to a financial adviser.

What are the tax implications whilst my money is invested?

Your fund will grow free of personal liability to UK income and capital gains tax. Some investment returns may be received by the fund with tax credits or after tax deductions which can't be re-claimed. Any investments the fund holds in overseas assets will be subject to the tax rules applicable in that country. This tax will be charged to the appropriate funds.

What about tax when I take my benefits?

If you are age 55 or over you can normally take up to 25% of your pension fund as a tax-free lump sum.

You may take the remainder as a taxable annuity/income. If you take part of your pension fund as a tax-free lump sum, you will get a smaller annuity/income.

If you take all of your pension fund as a lump sum, you will not be entitled to any annuity or income.

The taxable part of any lump sum and/or any pension you receive will be taxed through the PAYE system as pension income.

The amount of tax you have to pay will depend on your income at the time the lump sum and/or pension income is paid.

Lifetime Allowance

HMRC puts a limit, called the lifetime allowance, on the total amount that can be taken from pension schemes before a tax charge is payable. The standard lifetime allowance is £1,073,100 for the 2021/22 tax year. Your remaining lifetime allowance reduces each time you take benefits.

If, when you take benefits, or at age 75 if earlier, the value of benefits being taken exceeds your remaining lifetime allowance then the excess will be subject to a tax charge, known as the lifetime allowance charge.

Your personal lifetime allowance may be higher than the standard lifetime allowance, if you have been granted one or more types of protection by HMRC.

You can find out more about the lifetime allowance on the HMRC website at **www.gov.uk/tax-on-your-private-pension**. If you think you might be affected then we strongly recommend that you receive individual tax advice. For more information about tax please refer to a financial adviser.

What about tax when I die?

The payment of a lump sum will not normally incur any tax liability although tax charges may apply if, when you die, the value of all death benefits paid from your pension policies is more than your remaining lifetime allowance.

The value of the benefits may also form part of your estate for inheritance tax purposes in some circumstances.

The tax treatment of death benefits is a complex area. We suggest you speak to a professional financial adviser who will be able to tell you how current law and any decisions you make about your policy, may affect your policy and your beneficiaries when you die.

Further information

How to contact us

Your professional financial adviser will normally be your first point of contact. If you need more help or information about the Stakeholder Pension Scheme, or if you have any factual or administrative questions or wish to exercise your right to cancel your policy, you can write to us at the following address:

Aviva
PO Box 1550
Salisbury
SP1 2TW
United Kingdom

Call us on **0345 602 9221** at the following times:
Monday to Friday between 8.30am and 5.30pm.
We may record calls to improve our service. Calls may be charged and these charges will vary, please speak to your network provider.

Please note that your call may be recorded and stored securely. We may use it for training purposes in the future.

Client Categorization

Aviva will treat you as a retail client. This means that you have the highest level of protection available under the Financial Conduct Authority rules. This includes access to complaints and compensation procedures. However, you will not be covered for wrong advice unless this product was personally recommended to you by a professional financial adviser authorised by the Financial Conduct Authority.

How to complain

If you are not satisfied with any aspect of the service that you have received from us, please contact us using either of the methods detailed in the 'How to contact us' section. Information regarding our formal complaints procedure is also available from the same contact points.

If you are not satisfied with our response you can contact:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone **0800 023 4 567** or **0300 123 9 123**

www.financial-ombudsman.org.uk

complaint.info@financial-ombudsman.org.uk

Making a complaint won't affect your legal rights.

Compensation

Your policy is covered by the Financial Services Compensation Scheme (FSCS). This means that if we are unable to pay claims/benefits because of financial difficulties, you would be able to make a claim. You are covered for 100% of the claim, without any upper limit. Where funds are operated through a reinsurance agreement with another insurance company, if that insurance company were to become insolvent, any amounts invested in those funds would not be protected by the FSCS. This means you could get back less than the value of such investments if the other insurance company were insolvent. If you wish to know which funds are invested through a reinsurance agreement, please see the fund factsheets which are available on request. For further information please see **www.fscs.org.uk** or telephone **0800 678 1100** or **020 7741 4100**.

Please note the FSCS's first responsibility is to seek continuity of the pension rather than to pay compensation.

Terms and conditions

This Key Features document gives you a summary of the Aviva (No.4) Stakeholder Pension Scheme EP. It does not include all the definitions, exclusions and Terms and conditions. These are shown in the 'Policy conditions of the Stakeholder Pension Scheme'. The full Terms and conditions (Scheme Rules) are available from us by calling **0345 602 9221**.

FCA Register details

Aviva Life & Pensions UK Limited is a company limited by shares. It is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is entered on the Financial Services register, number 185896.

register.fca.org.uk

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'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.

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.

Professional financial advisers

Where you have received information or advice, the adviser will provide you with information regarding their identity, the capacity in which they are acting and their address for future communications.

If you feel you would like advice, you can pay for financial advice from a professional financial adviser. If you don't have an adviser, you can contact the following organisations:

- Unbiased: **www.unbiased.co.uk**
- Institute of Financial Planning: **0117 945 2470** or at **www.financialplanning.org.uk**
- GOV.UK provides impartial UK Government information on pensions at **www.gov.uk/browse/working/workplace-personal-pensions**

Law and language

This policy is governed by the law of England and Wales. Your contract will be in English and we will always write and speak to you in English.

Key Features document information

If the illustration supplied to you contains an expiry date and you wish to apply after that date, you should ask for a further illustration and Key Features document. The date when the Key Features document was produced is shown at the end of the document. If you are not sure if you have the most up-to-date version, please contact your professional financial adviser. Alternatively, you can contact us at the address shown in the How to contact us section of this document and we will provide you with an up-to-date version. Contact details can be found on page 10.

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.**

This document is available in other formats.
If you would like a braille, large print or audio version of this document, please contact us.

Aviva Life & Pensions UK Limited.
Registered in England No. 3253947. Registered office: Aviva, Wellington Row, York, YO90 1WR.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number 185896.
Telephone 0345 602 9221 – calls may be recorded. **www.aviva.co.uk**
Member of the Association of British Insurers.

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MPEN30M3-T NE16003 07/2021