Key Features of the Flexible Retirement Account

The Financial Conduct Authority is a financial services regulator. It requires us, Aviva Pension Trustees UK Limited, to give you this important information to help you to decide whether our Flexible Retirement Account 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 Flexible Retirement Account is a great way to save for your life after work. It meets your demands and needs for a pension as the government has required your employer to enrol you into a pension scheme as you meet the eligibility requirements. The aim of the Flexible Retirement Account is to provide you with a pot of money to help support you when you retire.

Your employer sets up your Flexible Retirement Account 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 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 account before deciding whether to continue 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 account. An adviser may charge for any advice provided.

This document is primarily aimed at someone taking out a new pension.
What is the Aviva Flexible Retirement Account?

- The Flexible Retirement Account is a group Self Invested Personal Pension (SIPP) which means it is designed to help you invest for retirement. A group personal pension scheme is a collection of individual personal pension plans arranged by an employer for their employees. It is designed on a group basis so transactions can be made on a bulk basis, for example, payments made by payroll deductions.

How does the Flexible Retirement Account work?

- The Flexible Retirement Account is provided by Aviva Pension Trustees UK Limited and made available by your employer through your online account.
- It offers a tax-efficient way of saving for your retirement.
- It can accept contributions from you and/or your employer.
- It can also accept transfer values for benefits you have built up while you were a member of a previous pension scheme or arrangement.
- There is flexibility around where you can invest.

Is this pension right for me?

- The pension might be right for you if:
  - You want to invest for your retirement.
  - You are at least the minimum age required to join the pension of 16.
  - You are under the age of 75.
  - You can afford the contributions due.
  - You are prepared to keep your funds invested until you are eligible to take benefits.
  - You have considered any other pensions that your employer may offer.
  - You are a UK resident.
- If you are over the age of 50, haven’t been able to save much and can’t afford to save much as you approach retirement, you should consider seeking financial advice before starting a pension plan.

Giving you more information

- You will read references to ‘us’ or ‘we’. This means Aviva Pension Trustees UK Limited, the provider of your pension.
- This document gives you a summary of information about the Flexible Retirement Account and should be read with the ‘Flexible Retirement Account Fees and charges’ brochure. You should also:
  - Read the information you have received about automatic enrolment.
  - Look at the details of the available investments that can be held within the Flexible Retirement Account, which you can find on your online account.
  - Read the information we provide relating to the investment solution where contributions are invested, such as the ‘Flexible Retirement Account Investment brochure’, fund factsheets and Key investor information documents.
  - Look at the illustration that shows an example of what you may receive in the future.
  - Read the ‘Flexible Retirement Account Terms and conditions’.

Its aims

- To build up a sum of money in a tax-efficient way to provide pension benefits.
- To provide benefits on your death to your dependants or other beneficiaries.

Your commitment

- For you to make regular contributions to your pension.
- Your employer may also contribute into your pension. This may be dependent on you paying a minimum level of contribution.
- To understand that funds remain invested until you decide to take your benefits. You cannot normally take these benefits before the age of 55. Under this account, you must decide on the type of benefits you wish to take by age 99.
- To tell us if you have flexibly accessed your money purchase pension savings. See section ‘What about tax?’ and the ‘Annual Allowance’ sub-section.
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, you will not be eligible for tax relief.

You will pay any contribution required to ensure that total contributions to your account are at least equal to the minimum levels required under automatic enrolment regulations.

To review your account regularly to ensure your investments still meet your needs. This is particularly important if you are taking withdrawals from your account.

Risks

We can’t guarantee what your pension will be worth in the future. The value of investments in your pension can go down as well as up and you may get back less than the amount paid in.

The level of benefits you could get at retirement may be less than shown in an illustration. This could happen for a number of reasons. For example, if:

- You and/or your employer reduces or stops contributing to your pension, even if contributions are subsequently restarted.
- Investment performance has been lower than assumed.
- Charges have been higher than assumed.
- You choose to take your benefits before your chosen retirement date.
- The rates used to calculate your benefits may provide a lower pension income 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.
- Tax rules change. The tax information provided here is based on our interpretation of current legislation, which is subject to change and individual circumstances.
- The investment solution into which contributions are automatically invested may not be suitable for you. Please see the ‘Flexible Retirement Account Investment brochure’ for more information.
- Inflation will reduce the spending power of your pension benefits.
- If you transfer from another pension scheme, you may be giving up valuable rights in that scheme. There is no guarantee that what you’d receive at retirement will be more than the amount you could have received from the previous scheme. Please see the transfers section starting on page 10 for more information.
- Some investments carry a higher level of risk than others, and may be subject to sudden and large falls in value; you could get back nothing at all. The investments available to you carry different levels of risks. The value of some investments will go up and down more than others.
- There are other risks which could affect the performance of the funds that you invest. Please see the ‘Flexible Retirement Account Investment brochure’ for more information.
- If you deal in stocks and shares excessively, or your account is relatively small, then the value of your pension may be eroded as the costs may be disproportionate.
- If you are going to cancel, you should be aware of the rules set out in the ‘Can I opt out of the scheme and cancel this account?’ section below.
- The Flexible Retirement Account allows you to invest in a wide range of assets. Each of these will carry its own investment risks and may incur additional costs and charges. It is not possible to go into the detail of every risk that could affect the investments you hold. For the risks related to each fund, please see the fund factsheets or Key investor information document. You should discuss the risks relating to the particular investments you are considering with your financial adviser if you have one. If you do not have a financial adviser, you can find one at www.unbiased.co.uk. You may have to pay for this advice.
- There are other risks which could affect the performance of the funds that you invest. Please see the ‘Flexible Retirement Account Investment brochure’ for more information.
Questions and answers

1 Can I change my mind?

Can I opt out of the scheme and cancel this account?

● Yes, after joining you have the right to opt out of your employer's pension scheme and receive a refund of contributions as set out below.

● You cannot signal your intention to opt out before you have joined the scheme.

● You only have one month after joining the scheme in which to let us, or your employer, know if you wish to opt out. You will be advised in writing when you have joined or will be joining and the dates between which you can opt out.

● If you opt out within this period, we’ll refund all regular contributions we have received to your employer, who will arrange a refund of your personal contributions to you.

● If you don’t opt out within this period, your account will continue as set out in these Key features and the Terms and conditions. Any contributions received will not be refunded.

● The notice given to you by your employer tells you how to opt out. Alternatively, call us on 0345 604 9915 to request an opt-out form.

● You will not be able to invest in the Fund supermarket and/or Alternative investment option, if these are available to you, until after the end of the opt-out period.

● If you opt-out within your opt-out period, any single payment paid into your account will also be refunded. We will refund any payment paid in, less any fall in value that has occurred before we receive the earlier of:
  – confirmation of your opt-out from your employer, or
  – your written notice that you wish to cancel your payment.

This means you may get back less than you invested.

To avoid any delay that may occur if your employer does not tell us promptly that you have opted out and to help reduce the risk of your investment falling in value, write to us at Aviva, PO Box 2282, Salisbury SP2 2HY to cancel your payment at the same time you decide to opt out. You will still need to send your opt-out notice as notified by your employer.

We will return the payment to whoever paid it to us.

● If you are planning on starting Income Drawdown, please see section ‘Income Drawdown - can I change my mind about starting Income Drawdown?’ on page 10 for more details.

Transfer payments

● You have a right to change your mind. Once we have completed the transfer of your benefits from another pension scheme, you’ll have 30 days to let us know if you want to change your mind. You will not receive a reminder of your right to cancel.

● You must notify us in writing at Aviva, PO Box 2282, Salisbury SP2 2HY within the 30-day period.

● If you decide to change your mind about transferring your benefits, we’ll try to return the transfer payment. If the investment value has fallen, the amount we’ll return will be less than the amount transferred in. The transferring scheme may not be willing to take the transfer back or reinstate your benefits in their scheme. Your options then would be to transfer to another provider who is willing to accept it or reapply for a transfer to us.

● If you don’t cancel the transfer within 30 days, the transfer payment will remain invested in accordance with the terms of your account and cannot be refunded.

2 How can I contribute to my pension?

What contributions can I make?

● Your contributions will be paid from payroll and will be a fixed percentage of your earnings so your contributions increase automatically in line with your earnings.

● Your employer will deduct your contributions from your earnings and arrange for payment.

● There is no minimum regular contribution amount into the Select fund range when made by payroll.

● You can make additional regular or one off payments by direct debit from your own or joint bank or building society account into your pension. The minimum monthly payment is £50 gross. There is no minimum one off payment amount.

● You can change the amount you pay, subject to you meeting the minimum and maximum amounts, at any time. There are no charges for altering contributions.

● No further contributions can be paid after age 75.

● If you are a non-earner, the most you can contribute is £3,600 for tax year 2020/21. For further information on contribution limits, please see section ‘What about tax?’.

Can I stop or vary contributions?

● Yes, you can stop or vary contributions at any time. However, you should note that:
  – fewer and/or reduced contributions will reduce the fund available at retirement;
- as long as the pension stays invested, charges will be taken from it. If the account 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 contributions to below the minimum levels required under automatic enrolment regulations, and you remain in employment, your employer will re-enrol you into the scheme approximately every three years;
- any employer’s contributions may automatically stop if you stop making contributions.

**Can I restart contributions?**

- Yes, you can start contributing to the pension again at any time, provided you are still eligible to do so.
- If you are considering stopping, varying or restarting contributions, please request an illustration from us.

**Can I transfer other pensions into the Flexible Retirement Account?**

- If you have a pension with another company, you may be able to transfer its value into this pension providing it is another registered pension scheme. There is no guarantee that doing this will increase your total benefits. There may be a charge for doing this and you should seek professional advice from a financial adviser.

In some cases such as transfers from a defined benefit scheme where your pension fund exceeds £30,000 the law requires you to take financial advice before you can transfer your benefits. An adviser will charge a fee for that advice.

- You may make a transfer payment into the Flexible Retirement Account. If you do so from a money purchase pension (sometimes referred to as a defined contribution pension), it can be completed as a cash transfer or as a re-registration. If you are making a transfer from a defined benefit pension, it can only be completed as a cash transfer. We do not charge for accepting cash or re-registration transfers.

- The minimum transfer value required to transfer using re-registration is £5,000.
- We will only proceed with any transfer application once you have reached the end of your opt-out period.

**Are there any risks specific to making a transfer payment?**

- If you make a cash transfer from a money purchase pension 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.

- When making a transfer payment from a defined benefit pension, your pension benefits are converted into a cash equivalent before being transferred into your Flexible Retirement Account. 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.

- Once the transfer payment has been made, you won’t have any rights to benefits under your previous scheme or arrangement. You need to consider and compare the features, charges, fund ranges of both schemes and any valuable benefits that could be lost. Such valuable guarantees or benefits could be:
  - 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 the age of 55;
  - 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 be applied to your benefits. You should contact your current pension provider to see if a market value reduction is being applied to your with-profits fund before you apply to transfer your pension.
  - An entitlement to a tax-free cash sum in excess of 25% of the value of your pension.
Key Features of the Flexible Retirement Account

● Built-in or enhanced life insurance benefits or waiver of premiums.

● 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.

● The charges in your old scheme may be lower than what you’re transferring to.

● There could be a charge for transferring your benefits.

● In some cases you must take independent financial advice before you can transfer your benefits. An adviser will charge a fee for that advice.

Are there limitations on the type of transfer-in payments that can be accepted?

● We can only accept transfers from registered pension schemes.

● When making a transfer from a money purchase pension into your Flexible Retirement Account, any assets that cannot be transferred through re-registration must be transferred as cash.

● The following transfers will not be accepted into the Flexible Retirement Account:
  – transfers from recognised overseas pension schemes (ROPS);
  – transfers where the previous benefits consisted of unequalised GMP;
  – pensions currently impacted by active ‘attachment’, ‘earmarking’ or ‘sharing’ orders (however, once settled we will accept these transfers), disqualifying pension credits;
  – pensions that, if they are transferred, prevent members investing in defined benefit schemes in the future;
  – pensions with crystallised assets (i.e. those in payment/Income Drawdown).

Where will my transfer payment be invested?

● Your transfer payment will be invested in line with your investment instructions given on the transfer application form (up to ten funds). You may also choose to invest in your cash account or follow the instructions you’ve already given us for your regular contributions. If no instructions are received, we will use the instructions you gave us for your regular contributions.

● Once the transfer payment has been invested, you can change where you invest. If you wish to make a fund switch, you should log in to your online account.

● When making a transfer from a money purchase pension into your Flexible Retirement Account, re-registration of transfers can only occur where the transferring asset exists on your online account. Where the transfer cannot be matched, We will request that your previous provider transfer this amount as cash.

3 Where can I invest my contributions?

● There are three broad investment ranges that your employer and adviser may make available to you to invest in. These are:
  – Select fund range (always available to you to invest in);
  – Fund supermarket; and
  – Alternative investment option.

You can find more information about which of these investment ranges are available to you on your online account and from the Flexible Retirement Account Investment brochure.

What is the cash account?

● If the Fund supermarket and/or the Alternative investment option are available to you and you choose to invest in them, you are given access to a cash account within your Flexible Retirement Account. The cash account is used to hold contributions pending investment, to receive payments from your investments and to pay account charges. You will be able to invest as soon as there is sufficient cleared cash in the cash account to pay for each investment. Interest is paid on cleared funds and is earned daily and credited to your account on the first of each month. You can see the interest rate on your online account.

If you only have access to the Select fund range the cash account is used to clear your contributions before being invested. Any interest will be available for future investment in the funds available to you.
Where are contributions into my pension invested?

- Your employer with its adviser has chosen an investment solution where your contributions will be invested.
- Once your first contribution has been invested, you can choose where your contributions are invested and make a fund switch if you want. You can do this by logging in to your online account.
- You may also be able to select a lifestyle investment programme. This is designed to gradually switch your existing investments and any future contributions into lower risk funds as you get closer to your selected retirement date. You can find out more about this in the Flexible Retirement Account Investment brochure.
- You may also be able to choose a lifetime investment programme. If this is available through your pension then all your Select fund range investments will be managed for the lifetime of your pension. You can find out more about this in the Flexible Retirement Account Investment brochure.
- If you have chosen a lifetime investment programme and wish to make a transfer payment, this must be a cash transfer as assets cannot be re-registered into a lifetime investment programme.
- When you choose to make a cash transfer into your Flexible Retirement Account you will be limited to the Select fund range or Fund supermarket (if available).

Can I switch between investment funds?

- Yes. We currently don’t charge you for switching to new funds. We will tell you if this changes.
- In exceptional circumstances we may delay the ‘cashing in’ or ‘switching’ of units for up to one month, or for funds invested in property, for up to six months while the property is sold if Aviva Life & Pensions UK Limited takes this action in relation to the funds(s) concerned. We may extend these periods:
  - to match any period of delay, postponement, closure or suspension imposed by the fund managers and/or insurers;
  - if, due to exceptional circumstances, Aviva Life & Pensions UK Limited believe it is in the best interests of all investors in the fund.
This would not occur on your selected retirement date or on death.
- If other managers impose delays on the sale of holdings in their funds in the Fund supermarket we will delay the ‘cashing in’ or ‘switching’ of units until the other manager completes the sale of those holdings.
- For more information please see the ‘Flexible Retirement Account Terms and conditions’.

4 What charges do you take?

- The charges you could pay for your Flexible Retirement Account are shown below. However, you will only be charged for the services that you use; if you don’t use it, you will not be charged for it.
- We may introduce additional charges to reflect new features we make available, and we may increase our charges. Please see your Terms and conditions for details of when this may occur.

These are the charges that we will deduct for investing in the Select fund range, Fund supermarket and Alternative Investment option:

- Scheme annual management charge for running your account. It is a percentage amount of your account value which is calculated and accrued daily and deducted monthly. The amount for your account is shown in the Flexible Retirement Account Fees and charges brochure.
- If your account has any discounts applied the details will be shown in the Flexible Retirement Account Fees and charges brochure.

These are the charges that the fund manager will deduct for investing in their funds (applies to the Select fund range and Fund supermarket):

- Fund annual management charge, which covers administration costs and investment charges. It is normally calculated as a percentage of the fund value.
- Fund additional expenses, which are associated with some funds and reflect the cost of managing the assets and include fees to auditors, trustees and valuers. They are normally calculated as a percentage of the fund value.
- Dilution levy, a charge which might be levied by the fund manager to protect the interests of investors at a time of high levels of buying or selling.
- Bid-offer spread, the difference between the bid (selling) price and the offer (buying) price is called the bid-offer spread; the bid-offer spread charge includes initial charges and dealing costs.
- Dilution adjustment, a charge applied by managers of single-priced funds to protect the value of existing investors’ holdings if the dealing costs are higher than expected due to a large number of sales or purchases.
- The amounts of the charges will vary between different fund managers.
These are the charges that the stockbroker will deduct for trading in shares and other exchange traded assets (applies to the Alternative investment option):

- Transaction charge of £20 every time you buy or sell an investment through our stockbroker partner.
- Stamp Duty Reserve Tax of 0.5% of the purchase price of UK shares.
- PTM (Panel on Takeovers and Mergers) Levy is £1, payable when buying or selling shares with a total value in excess of £10,000.

For full details of the charges please see the Flexible Retirement Account Fees and charges brochure.

Do you pay an adviser?

- Should you decide to appoint your own financial adviser, you may agree to pay a fee made by deduction from your account – called Member Agreed Remuneration – to your adviser in payment for the advice received.

Please see the Flexible Retirement Account Fees and charges brochure for more information.

How are Aviva staff remunerated?

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 an additional bonus, a proportion of which relates to their sales performance.

5 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 selected retirement date to give you more details.

When can I take my pension benefits?

- We set up your pension to provide benefits from your selected retirement date, which you choose at the start. You can change your selected retirement date at any time before you take your pension benefits. If you don’t make a choice your selected retirement date will normally be your 65th birthday.

- 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 pension is 99. No further contributions can be paid after age 75. Legislation allows you to delay taking your benefits with no upper age limit. If you wish to do this, you will need to transfer your account to another pension provider before your 99th birthday.

- We will write to you nearer your chosen retirement date to confirm your options.

How much will I get?

- When you are ready to take your pension benefits, the amount you get will depend on your account’s value, which is not guaranteed.

- Please see the illustration for an idea of what you might get. If you’ve not received an illustration, please ask us.

- We’ll send you statements each year to show how your pension is doing and the amount you may receive at your retirement date.

- You can visit your online account at any time to see the current value of your pension.

- On divorce or dissolution of a civil partnership, the court may decide to issue a pension sharing order against the account. We would then reduce the value of your pension in line with the court order. The balance would be available to your former husband, wife or civil partner to transfer into a registered pension scheme or qualifying recognised overseas pension scheme of his or her choice.
How can I take my pension benefits?

- You will have a fund that you can use to provide pension benefits. There are different options available, and you should take financial advice or guidance before choosing your option(s).
- As you approach your selected retirement date, or when you tell us you wish to take your benefits, we will inform you of your options and of the pros and cons of each.

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

A - Annuity

- You can normally take up to 25% of your pension fund as a tax-free cash sum and use the remaining fund to purchase an annuity; an insurance policy that will give you a guaranteed income.
- Alternatively you can use more of your pension fund to purchase an annuity.
- An annuity does not have to be purchased from Aviva Life & Pensions UK Limited. It’s 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 value of your account, 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 selected retirement date.

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. The remaining 75% will be added to your other income for the tax year and you’ll pay income tax on this amount.
- There is no minimum amount that you can take as a lump sum.
- The account allows you to take a maximum of six lump sums in a tax year. If you have used the maximum number of withdrawals and wish to take a further lump sum, you will need to wait until the new tax year has started.
- If you haven’t previously triggered it, taking this option would trigger the Money Purchase Annual Allowance. For further details, please see page 11.

C - Transfer

- You can transfer your pension fund 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 pension fund while leaving the remaining fund invested.

- You can normally take up to 25% of your pension fund you designate for Income Drawdown as a tax-free cash sum and use the remaining fund for Income Drawdown. Any subsequent withdrawals are taxed as income. Please see ‘How will my pension income be taxed?’ on page 11 for more details.
- You can use all or part of your pension fund to move into Income Drawdown. We will start an Income Drawdown sub-account within your Flexible Retirement Account. There is no minimum amount you have to move into Income Drawdown.
- You can take income from your Income Drawdown sub-account on an ad-hoc basis and/or regular income on a monthly, quarterly, half-yearly, or yearly basis.
- Choosing your investments for your Income Drawdown account is an important decision. There is no default investment choice or investment programme that applies to your Income Drawdown sub-account 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 Flexible Retirement Account or another money purchase pension scheme, your annual allowance will reduce if you take any income in addition to your tax-free cash sum. Please see section 7 ‘What about tax?’.
- You can start Income Drawdown using your Flexible Retirement Account or alternatively transfer the value of your account to another pension provider who offers this. It is important to shop around as it could help you obtain better terms.
- If you haven’t previously triggered it, taking this option would trigger the Money Purchase Annual Allowance. For further details, please see page 11.

Income Drawdown – key risks

- The value of your pension fund that remains after income is taken can go down as well as up and you could get back less than invested.
- Your future pension income from your Income Drawdown sub-account is not guaranteed as it depends on the level of income taken, investment performance and charges. Your money can run out.
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- If you take all or a significant amount of your pension savings from your Income Drawdown sub-account 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 charges do you take?’ cover your Flexible Retirement Account and Income Drawdown sub-account. If both parts are used the charges will be taken proportionately across them.
- We do not currently make a charge for 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 your Income Drawdown sub-account. Your cancellation period starts when you receive confirmation from us that your Income Drawdown sub-account has started. You must notify us in writing at Aviva, PO Box 2282, Salisbury SP2 2HY.
- You can’t cancel your decision to take cash benefits from your account, such as a tax-free sum you may have received. You can only cancel your Income Drawdown sub-account.
- If you don’t cancel within the 30 days, your Income Drawdown sub-account will continue as set out in these Key features and the Terms and conditions.
- If you decide to cancel you will have to:
  - tell us what you wish to do with your funds designated for Income Drawdown. If you don’t tell us within 30 days of giving us your cancellation instruction, then the Income Drawdown terms will apply and your cancellation instruction will in effect lapse, and
  - if applicable, return any income payment(s) to us as soon as possible (no later than 30 days) after you notify us of your wish to cancel. Returned payments will be invested in the same fund(s) from which they had been taken, unless you tell us otherwise. You will receive the price(s) at the time of reinvestment.

Information available to you

- The Money Advice Service publishes a consumer fact sheet, ‘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. This tailored guidance is available online, over the phone or face to face. Go to www.pensionwise.gov.uk or call 030 0330 1001.
- A financial adviser will be able to make personal recommendations for you based on your own circumstances and financial objectives. If you don’t have a financial adviser, you can find one by visiting www.unbiased.co.uk.

6 What else do I need to know?

This section provides other important information you need to know about your pension.

What will happen if I leave my current employer?

- If you leave your current employer, you can keep your pension plan with us. However, the range of investments you can make may be different, as could the charges. If you do leave, we will give you further information at the time.

Can I transfer the value of my Flexible Retirement Account to another pension plan?

- You can transfer the value of your Flexible Retirement Account to another registered pension scheme. We will not charge you for transferring out. You can make the transfer as cash so you will be out of the market for the period it takes to make the transfer. It may be possible to transfer by re-registration if your new pension provider accepts funds and shares. If they cannot, then there may be some costs in order to sell the shares and transfer them as cash.
- You can ask us for a transfer value illustration. This will give you examples of how much you could transfer to another pension depending on when you transfer.
- If you transfer to another plan, you can continue to have contributions paid into your Flexible Retirement Account as long as you have requested to keep it open.
What happens to my pension if I die?
- If you die before you take your pension benefits then your full pension benefits can be paid as a lump sum.
- The lump sum will be paid to your family members or any others 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.
- In some circumstances, the value of the benefits may also form a part of your estate for inheritance tax purposes.
- 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 ‘Flexible Retirement Account Terms and conditions’ for more details.

7 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.

The following information 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.

How will contributions into my pension be affected by tax?
- A registered pension scheme is one of the most effective ways to save money for retirement. This is because you get tax relief from the Government on the money paid into your account.
- Each tax year you can get income tax relief on your contributions to all registered pension schemes as long as your total gross contributions are not more than the greater of your UK taxable earnings or £3,600 (2020/21). We'll refund anything HMRC tells us is more than this.
- We will claim any basic rate tax relief you’re entitled to from HMRC and invest it into your account. Currently this is 20%, so for every £4 you pay in, this will add £1. For example, if you pay in £100 a month, tax relief will increase your contribution to £125.
- If you pay more than basic rate tax, you may be able to claim further tax relief through your self-assessment tax return form or coding. For more details, please see ‘A guide to claiming tax relief over the basic rate’, which is available on request. To request a copy, please contact us using the details in the ‘How to contact us’ section.

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 2020/21 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 (2020/21 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 2020/21 tax year this reduced annual allowance, the money purchase annual allowance (MPAA), is £4,000. The provider of the pension you have accessed will notify you if this applies. You will then have to tell us.
  * 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 while my money is invested?
- You will not incur a personal tax liability on any fund growth as long as it remains invested.
- Your fund(s) will grow free of 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 to that country.

How will my pension income be taxed?
- You can normally take a tax-free cash sum of up to 25% of your pension’s value.
- Your pension income, after any cash sum has been taken, will be taxed through PAYE.
- The amount of tax you have to pay will depend on your income tax rate at the time the pension income is paid.
- There is a limit on the value of retirement benefits that you can draw from a registered pension scheme before a tax charge applies. This limit is called the Lifetime Allowance.
Key Features of the Flexible Retirement Account

**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 tax year 2020/21. 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](http://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?**

**On death before the age of 75**

- 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 the death benefits paid from your pension plan(s) is more than your remaining lifetime allowance (see above).

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

**On death after the age of 75**

- If you die on or after the age of 75, the payment of a lump sum will be subject to a tax charge. The amount of the charge will either be:
  - at the recipient’s marginal income tax rate (if paid directly to a dependant or beneficiary), or
  - 45%. The beneficiary of a trust may claim the 45% tax charge paid on the lump sum death benefit as a deduction against their own income tax.

Your financial adviser can provide further information.
Other information

How to contact us

- Remember, your employer will normally be your first point of contact.
- If you have any questions you can:
  
  Call us on 0345 604 9915
  Your helpline is available Monday to Friday between 8am and 5.30pm. Please note that Aviva will record calls to improve service. Calls may be charged and these charges may vary, please speak to your network provider.

  Email us at mymoney@aviva.com

  Write to us at Aviva, PO Box 2282, Salisbury SP2 2HY, United Kingdom

How to complain

- Please contact our Customer Relations Manager using details in the ‘How to contact us’ section above.
- Telephone calls will be recorded and saved for a minimum of 5 years.
- To see our procedures for dealing with complaints, please ask for our ‘our complaints’ leaflet.
- 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
  Website www.financial-ombudsman.org.uk
  Email complaint.info@financial-ombudsman.org.uk
- Making a complaint won’t affect your legal rights.

Compensation

- If a financial adviser recommends this pension, you have a legal right to compensation if the Financial Ombudsman Service decides it wasn’t suitable for your needs at the time.
- We are covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations, you may be entitled to compensation under the scheme. This depends on the type of business and the circumstances of the claim.
- In respect of a claim against investments held by Aviva Life & Pensions UK Limited, that is investments in the Select fund range (insured funds), the compensation is 100% of your claim. Please note that FSCS’s first responsibility is to seek continuity of the business rather than to pay compensation.
  
  Where Select funds are operated through a reinsurance agreement with another insurance company, this may enable lower charges and more efficient tax treatment of some dividends. However, in the event that the other insurance company were to become insolvent, any assets invested in those funds through a reinsurance agreement would not be protected by the FSCS. This could mean you might get back less than the full value of those assets. If you wish to know which funds are invested through a reinsurance agreement, please see the fund factsheets which are available online.

- If you suffer a financial loss as a result of us becoming unable or unlikely to be able to meet our claims, you will normally be able to claim under the investment section of the FSCS up to a maximum amount of £85,000 per person.
- For Fund supermarket investments, the maximum claim is £85,000 for each investment firm. The FSCS does not apply to any funds that are not authorised by the FCA. Such funds may be covered by a local compensation arrangement. Please read the fund manager’s fund literature for more details.

- For the Alternative investment option – direct investments in stocks and shares are not covered by the FSCS.

- Money held within the cash account will be deposited with HSBC Bank plc. HSBC Bank plc is incorporated in England and Wales and established at 8 Canada Square, London E14 5HQ which is its Registered Office. Deposits with HSBC Bank plc are covered by the FSCS. The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. An eligible depositor is entitled to claim up to £85,000 (this limit includes all other accounts and deposits they may hold with HSBC).
Key Features of the Flexible Retirement Account

- All claims have to be assessed by the FSCS to determine the amounts covered and the claimant’s eligibility. For further information see www.fscs.org.uk or call the FSCS on 0800 678 1100 or 0207 741 4100.

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.

Client categorisation
- We categorise each investment customer as a ‘retail client’. This gives you the highest level of protection available under the Financial Conduct Authority (FCA)’s Conduct of Business Rules. If you would otherwise be categorised under FCA Rules as a ‘professional client’ or an ‘eligible counterparty’, then you may not have access to the Financial Services Compensation Scheme or Financial Ombudsman Service. Please contact your financial adviser if you require further details.

Terms and conditions
- This document sets out the main points about the Flexible Retirement Account. It doesn’t include all the definitions, exclusions, terms and conditions. You can view the Terms and conditions through your online account or you can ask our Customer Services team for a copy.

- We have the right to change some of the terms and conditions. We’ll write and explain if this happens.

Law and language
- This pension is governed by the law of England and Wales and will apply unless your pension documents or Terms and conditions show otherwise. Your pension documents, Terms and conditions and all other communications will be in English.

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

About us
- The provider of this pension is Aviva Pension Trustees UK Limited. Its main business is providing pension products. It’s entered on the Financial Services Register, number 2407799. www.fca.org.uk

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/institutionalinvestors/regulatory-returns
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