



## Your Guide to Individual Pensions from Aviva





## Is the Horizon Range right for your customer?

The Horizon Range from Aviva may suit your customer if they:

- Are looking for a long term investment plan to provide for their retirement
- Are happy with the choice of funds into which they can invest their premiums and they are happy to take risk to generate returns
- Are happy with the charges on this product
- Have at least €200 per month to invest or they can pay an initial single premium of €7,500
- Don't need access to their money before age 60 (or until they retire)
- Are currently paying income tax and would like to take advantage of the tax relief currently available on pension premiums

The Horizon Range from Aviva may not suit your customer if they:

- Are looking for a short-term investment plan that will not be used for retirement
- Are not happy with the choice of funds into which they can invest their premiums and they are not happy to take risk to generate returns
- Are not happy with the charges on this product
- Cannot pay at least €200 per month or pay an initial single premium of €7,500
- Need access to their money before age 60 (or before they retire)
- Are not currently paying income tax, and cannot take advantage of the current tax relief available on pension premiums

# The Horizon range - product outline

Horizon Plan and Horizon Plan Options are unit linked individual pension arrangements. Horizon Plan and Horizon Plan Options are suitable for Executive Pension Plans, Personal Pension Plans, AVC's (provided there is also an employer pension contribution), Buy Out Bonds and Transfer Values.

## Regular Premiums

Premiums can be paid on a regular monthly, quarterly, half-yearly or yearly basis. Monthly premiums must be paid by Direct Debit mandate. The minimum premium is €200 per month or €2,400 per annum.

## Single Premiums

Single premiums and transfer values can be made to Horizon Plan and Horizon Plan Options. These can be paid at the outset or at some time in the future. The minimum single premium is €7,500 (or €750 as a top-up).

## Age at entry

**Minimum** 19 next birthday

**Maximum** 68 next birthday (Executive Pension Plan, Buy Out Bond)  
73 next birthday (Personal Pension Plan)

## Retirement age

**Minimum** 60

**Maximum** 70 (Executive Pension Plan, Buy Out Bond)  
75 (Personal Pension Plan)

Horizon range choices								
	Executive Plan		Personal Plan		AVC		Buy Out Bond	
	Horizon Plan	Horizon Plan Options	Horizon Plan	Horizon Plan Options	Horizon Plan	Horizon Plan Options	Horizon Plan	Horizon Plan Options
Regular premiums	✓	✓	✓	✓	✓	✓	✗	✗
Single premiums	✓	✓	✓	✓	✓	✓	✓	✓
Inflation proofing	✓	✓	✓	✓	✓	✓	✗	✗
Maximum normal retirement age	70		75		70		70	

# Horizon Plan – a summary of the charging structure

## Regular premiums

Regular Premium	Gross allocation rate (deduct relevant commission - see overleaf)
<€2,400	95%
€2,400 - €5,399	97%
€5,400 +	100%
Bid/offer spread	N/A
Annual Fund Charge <sup>1</sup>	0.85% p.a.
Annual Fund Management Charge rebate	0 - 0.2% p.a. (see overleaf)
Policy fee	€4.50 p.m.
Pensions Authority Fee (Executive Pensions Only)	€8.00 p.a.
External Trustee Fee	€4.10 p.m. plus VAT <sup>2</sup>

Note:

1. On certain funds, there is a different annual fund charge - please see appendix for details.
2. If this service is selected, a monthly fee, which is currently €4.10 (which may be increased by the trustee) plus the applicable VAT will be paid by cancellation and reduction of units under the policy to the external trustee.
3. The allocation rates for regular premiums will be reduced if the term to retirement is 5 years or less at outset. For top ups, the allocation rate applying will be calculated from the start date of the premium increase. The term reduction factors are as follows:

Term to Retirement	4 years 1 month - 5 years	3 years 1 month - 4 years	2 years 1 month - 3 years	1 year 1 month - 2 years	1 month - 1 year
Reduction	1%	2%	3%	4%	5%

## Single premiums

Single Premium	Gross Allocation Rate (deduct relevant commission – see overleaf)
Less than €5,400	98% (top up only)
€5,400 - €7,499	100% (top up only)
€7,500 - €12,499	100.5%
€12,500 - €24,999	101%
€25,000+	102%
Bid/offer spread	N/A
Policy fee	€45 at outset
Annual Fund Charge <sup>2</sup>	0.85% p.a.
Annual Fund Management Charge rebate	0 - 0.2% p.a. (see overleaf)
Pensions Authority Fee (Executive Pensions Only)	See note 3 below

Note:

1. The allocation rate for single premiums will be reduced if the term to retirement is less than 9 years at the date of payment. The reduction is 0.5% for every full year that the term is less than 10 years. For example, if the term is 6 years and 3 months, the full years remaining to retirement is 3 full years less than 10, so the allocation is reduced by 1.5%.
2. On certain funds, there is a different annual fund charge - please see appendix for details.
3. For single premium policies the Pensions Authority Fee is €8.00 and applicable once in any year in which a single premium is paid.

## Early Surrender Charge

An early surrender charge will apply for 3 years following payment of a single premium and any subsequent single premium top-ups. The charge applied will be based on a percentage(see below) of each single premium amount paid and will be based on the payment date of the first single premium and the payment dates of any subsequent single premium top-ups.

This charge applies on retirement before normal retirement age or if the policy is transferred to another pension arrangement. It does not apply on ill-health early retirement, retirement at normal retirement age, or on death.

Amount of Single Premium	Early Surrender Charge (% of Single Premium)
Up to €7,500	Nil
€7,500 - €12,499	0.5%
€12,500 - €24,999	1.0%
€25,000 +	2.0%

## Pension Levy

In accordance with the Finance (No. 2) Act 2011, an annual levy of 0.6% of the value of your pension fund was introduced by the government for 2011, 2012, 2013 and 2014. The Finance (No.2) Act 2013 changed the levy rate for 2014 to 0.75% and extended the levy for an additional year to 2015 at a reduced rate of 0.15%. The levy is payable on the value of your pension fund on 30 of June each year. Aviva Life & Pensions Ireland Limited will deduct this levy from your pension fund and pay it to the Revenue.

## Annual Fund Management charge rebate

We will rebate part of the annual fund management charge where the value of the fund exceeds €50,000. The amount rebated is set out in the following table.

Fund size	Rebate
Less than €50,000	0.00% p.a.
€50,000 - €149,999	0.05% p.a.
€150,000 - €299,999	0.10% p.a.
€300,000 - €499,999	0.15% p.a.
€500,000 +	0.20% p.a.

## Fund switching

The first 6 switches in every policy year are free of charge. There is a €30 charge per switch thereafter.

## Commission options

There are a variety of commission options to choose from.

### **Flat commission option - regular premiums only**

For regular premiums, you can choose a flat rate of commission ranging from 0% to 8% per annum.

### **Initial and Renewal commission option - regular premiums only**

Maximum Commission Bands		
Initial	Max Initial	Renewal
2.5% x term	50%	4%
2.0% x term	40%	5%
1.5% x term	30%	6%
1.0% x term	20%	7%

Initial commission is paid based on an accrual rate x term to NRA.

### **Single Premium commission**

For single premiums, transfer value payments from other pension arrangements and Buy Out Bonds, commission ranging from 0% - 5% is available.

### **Fund based commission**

This commission option is paid for by cancelling units in the fund and is charged in addition to the normal annual fund management charge as a percentage of the fund value. It is available in conjunction with premium based commission, or on its own. You can choose a rate of commission ranging from 0.05% p.a. to 0.50% p.a. in increments of 0.05% and from 0.50% p.a. to 1.00% p.a. in increments of 0.25%

### **Commission clawback**

Commission clawback period is 1 year for regular premiums and 2 years for single premiums and Buy out Bonds.



# Horizon Plan Options - a summary of the charging structure

## Regular premiums

	D					E				
Initial Commission	<b>10%</b> (1.25% x term, max 10%)					<b>15%</b> (1.00% x term, max 15%)				
Renewal Commission	4%	3%	2%	1%	Nil	4%	3%	2%	1%	Nil
Net Allocation Rate	95%	96%	97%	98%	99%	95%	96%	97%	98%	99%
Bonus Allocation <sup>1</sup>	1%					1%				
Loyalty bonus allocation	See section below					See section below				
Bid/Offer spread	n/a					n/a				
Annual Fund Charge <sup>5</sup>	1.00% p.a.					0.90% p.a.				
Policy fee	€4.50 p.m.					€4.50 p.m.				
Pensions Authority Fee (Executive Pension only)	€8.00 p.a.					€8.00 p.a.				
External Trustee Fee	€4.10 p.m. plus VAT <sup>6</sup>					€4.10 p.m. plus VAT <sup>6</sup>				
Commission Clawback Period <sup>7</sup>	3 years					4 years				

1. For regular premiums of €9,600 per annum or more, there is an extra 1% allocation payable on all premiums.
2. A maximum regular premium of €75,000 p.a. will apply to D and E.
3. Initial commission is paid based on an accrual rate x term to NRA (subject to maximum age 65).
4. The allocation rates will be reduced if the term to retirement is 5 years or less at outset. For top ups, the allocation rate applying will be calculated from the start date of the premium increase. The term reduction factors are as follows:

Term to Retirement	4 years 1 month - 5 years	3 years 1 month - 4 years	2 years 1 month - 3 years	1 year 1 month - 2 years	1 month - 1 year
Reduction	1%	2%	3%	4%	5%

5. On certain funds, there is a different annual fund charge - please see appendix for details.
6. If this service is selected, a monthly fee, which is currently €4.10 (which may be increased by the trustee) plus the applicable VAT will be paid by cancellation and reduction of units under the policy to the external trustee.
7. Commission clawback applies on a proportionate basis where a transfer is paid out by Aviva, a policy becomes paid up, goes on premium holiday or the premium reduces within the relevant earnings period (see table above).

## Single premiums

	D	E
Maximum Commission	5%	5%
Minimum Commission	Nil	Nil
Gross Allocation Rate <sup>1</sup>	105%*	105%*
Bid/Offer spread	n/a	n/a
Annual Fund Charge <sup>2</sup>	1.00% per annum	0.90% per annum
Policy fee	Nil if premium > €15,000 €4.50 per month if premium <€15,000	Nil if premium > €15,000 €4.50 per month if premium <€15,000
Pensions Authority Fee (Executive Pension only)	See note 3 below	See note 3 below
Commission Clawback Period <sup>4</sup>	2 years	2 years

\*The resulting net allocation rate will depend upon the actual commission chosen.

- The allocation rates will be reduced if the term to retirement is 9 years or less at outset. The term reduction factors are as follows:

Option D and E

Term to Retirement	9 yrs 1 month to 10 years	8 yrs 1 month to 9 yrs	7 yrs 1 month to 8 yrs	6 yrs 1 month to 7 yrs	5 yrs 1 month to 6 yrs
Reduction	0%	0.75%	1.50%	2.25%	3%
Term to Retirement	4 yrs 1 month to 5 yrs	3 yrs 1 month to 4 yrs	2 yrs 1 month to 3 yrs	1 yr 1 month to 2 yrs	1 month to 1 year
Reduction	3.75%	4.50%	5.25%	6%	6.75%

- On certain funds, there is a different annual fund charge - please see appendix for details.
- For single premium policies the Pensions Authority Fee is €8.00 and applicable once in any year in which a single premium is paid.
- Commission clawback applies on a proportionate basis and applies where a transfer is paid out within 2 years of the commencement date of the single premium paid. It applies to transfers paid out to both internal Aviva pension products and also external competitor products.

## Fund based commission

As well as the commission options detailed on pages 5 and 6, you also have the option of taking fund based commission. This commission option is paid for by cancelling units in the fund and is charged in addition to the normal annual fund management charge as a percentage of the fund value. It is available in conjunction with premium based commission. You can choose a rate of commission ranging from 0.05% p.a. to 0.50% p.a. in increments of 0.05% and from 0.50% p.a. to 1.00% p.a. in increments of 0.25%.



## Early Surrender Charge

An early surrender charge will apply for 5 years following policy commencement. For any subsequent single premium top-ups, an early surrender charge will apply for 5 years from the date of each top-up.

For regular premium policies, the charge applied will be based on a percentage (see below) of the fund value. For single premium policies, the charge applied will be based on a percentage (see below) of each single premium amount paid. The percentage applied to single premium policies will be based on the payment date of the first single premium and the payment dates of any subsequent top-ups.

This charge applies on retirement before normal retirement age or if the policy is transferred to another pension arrangement. It does not apply on ill-health early retirement, retirement at normal retirement age, or on death.

Time since commencement	Early Surrender Charge %
less than 3 years	5%
3 to 4 years	3%
4 to 5 years	1%
5 years plus	0%

## Pension Levy

In accordance with the Finance (No. 2) Act 2011, an annual levy of 0.6% of the value of your pension fund was introduced by the government for 2011, 2012, 2013 and 2014. The Finance (No.2) Act 2013 changed the levy rate for 2014 to 0.75% and extended the levy for an additional year to 2015 at a reduced rate of 0.15%. The levy is payable on the value of your pension fund on 30 of June each year. Aviva Life & Pensions Ireland Limited will deduct this levy from your pension fund and pay it to the Revenue.

## Loyalty Bonus Allocation (regular premiums only)

A loyalty bonus allocation (for regular premium only) is payable on the 10th anniversary of commencement of the policy, and on each 10th anniversary thereafter. The rates payable are detailed below.

Policy Anniversary	Bonus
10 years	1% of all premiums paid in years 0-9
20 years	2% of all premiums paid in years 10-19
30 years	3% of all premiums paid in years 20-29
40 years	4% of all premiums paid in years 30-39

At maturity, if the policy has been in force for more than 10 years, a bonus will be paid based on the premiums received since the previous loyalty bonus payment. So, for example, if a policy matures in year 14, we will pay a bonus at maturity of 2% of the premiums received between years 10 and 14.

## Fund Switching Charge

The first 6 switches in every policy year are free of charge. There is a €30 charge per switch thereafter.

# Appendix

## Additional charge - on certain funds

On Horizon Plan and Horizon Plan Options, for most funds the Annual Fund Charge\* is as per that stated previously. However, on certain funds we apply an additional charge. These funds are detailed below, with the additional charge.

Fund	Additional Fund Charge
Aviva Irl SRI Funds	0.25% pa
Aviva Irl Irish Property Fund (Series 2)	0.25% pa
Aviva Irl UK Property Fund (Series 2)	0.25% pa
Aviva Irl European Commercial Property Fund	0.65% pa
Aviva Irl Pacific Basin High Yield Equity Fund	0.25% pa
Aviva Irl BlackRock Global Absolute Return Bond Fund	0.35% pa**
Aviva Irl Multi-Strategy Target Return Fund	0.35% pa
Aviva Irl BlackRock World Gold Fund	0.65% pa
Aviva Irl BlackRock World Mining Fund	0.65% pa
Aviva Irl BlackRock World Energy Fund	0.65% pa
Aviva Irl BlackRock New Energy Fund	0.65% pa
Aviva Irl Protected Growth Fund	0.65% pa
Quilter Cheviot Personalised Portfolio Fund	0.25% pa†

New funds with different fund management charges may be added from time to time.

\* This charge is based on the value of the funds your policy is invested in. The Annual Fund Charge is made up of:

- (1) a fund management charge which is deducted daily from the unit price of the fund(s) and
- (2) a unit charge which is taken monthly by deduction of units from the value of your fund(s). If you are invested in more than one fund, this charge will be taken proportionately across the range of funds in which the policy is invested.

The Annual Fund Charge applying to your fund(s) will be shown on your policy schedule.

† Only available with Horizon Plan Options Regular Premium policies. Current conditions apply to this fund and they are as follows:

The minimum fund value you need to invest in the Quilter Cheviot Personalised Portfolio Fund is €150,000. (This can be achieved by switching your current holdings from all other funds into this fund). Once this condition is met you can continue to invest regular premiums only into the fund. The minimum regular premium is €30,000 a year. When you choose the Quilter Cheviot Personalised Portfolio Fund you must place your entire investment in the fund i.e. 100% of your holdings will be in the fund. You can switch your fund selection at any time, however, you must switch the entire holding. If you are invested in this fund you can not split your investments into any other fund. Where the Quilter Cheviot Personalised Portfolio Fund has been chosen, the schedule of stockbroking charges that apply to the purchase and sale of holdings is available from Quilter Cheviot.

\*\* A performance fee may be payable for investing in the Aviva Irl BlackRock Global Absolute Return Bond Fund. This fee is calculated as 10% of the return above the 3 month Euro Inter-Bank Offered Rate (EURIBOR).

## Notes

- 1 From time to time, some of the funds may also hold a proportion of their assets in cash.
- 2 Investment values and unit prices are not guaranteed; they can fall as well as rise, as a result of stockmarket and/or currency fluctuations – and customers may not get back the full amount invested.
- 3 Property investments cannot be sold as easily or quickly as equities or bonds – so, in order to protect the interest of the remaining investors, in some circumstances, encashment of units from funds that invest directly or indirectly in property may be deferred for a period not exceeding six months. For all other funds, encashments of units may be deferred for a period not exceeding three months. Please see a copy of the policy conditions for further information.
- 4 There may be circumstances when the number and/or amount of investor withdrawals from the fund leads to a need to sell a proportion of the underlying assets. In such circumstances, Aviva reserves the right to adjust the unit price of the funds, to reflect the costs involved in selling the necessary assets. As a result, investors withdrawing money would bear the costs of realising all or part of their investment. For funds holding a significant proportion of property-related assets, given the costs associated with buying and selling properties, this adjustment can be significantly higher than that applying to funds invested in other asset classes.
- 5 Aviva reserves the right to increase the fund charges and fees (as outlined on your scheme quote) subject to any legislative limits. Should any increase in the fund charges and fees occur the Trustees will be given 30 days notice of such an increase in writing. The fund charges apply to the value of the investments and are deducted daily from the fund and/or taken monthly by cancellation of units. Aviva may from time to time close or merge the funds or offer the opportunity to invest in new funds not listed previously. These new funds may have fund charges different to those shown previously.

Under Aviva Life & Pensions Ireland Limited's agreement with BlackRock the Aviva Irl BlackRock unit linked funds described herein is not available for distribution to, or investment by, US residents or citizens. They may not be directly or indirectly offered or sold in the USA or any of its territories or possessions or areas subject to its jurisdiction or to or for the benefit of a US person.

**Warning: The value of your investment may go down as well as up.**

**Warning: If you invest in this product you may lose some or all of the money you invest.**

**Warning: If you invest in this product you will not have any access to your money before you retire.**

**Warning: These products may be affected by changes in currency exchange rates.**

**Warning: Withdrawals and switches from funds investing directly or indirectly in property may be deferred for up to 6 months.**

**Warning: Withdrawals and switches from all other funds may be deferred for up to 3 months.**



**Aviva Life & Pensions Ireland Limited.** A private company limited by shares.

Registered in Ireland No. 252737 **Registered Office** One Park Place, Hatch Street, Dublin 2.

Member of Insurance Ireland. Aviva Life & Pensions Ireland Limited is regulated by the Central Bank of Ireland.

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