

Offshore bonds

Target audience for Aviva's offshore bonds

Offshore bonds are designed for customer segments whose characteristics are identified below.

Designed for customers who:

- have at least £50,000 to invest
- are investing for the medium to long term
- understand the specific risks of the investments selected
- want the opportunity to control the timing of their potential tax liability
- expect their marginal rate of tax to be lower in the future - when benefits from the bond are taken, for example, in retirement
- are an active investor and do not want a potential UK capital gains tax liability
- want to take a regular, tax-efficient income from their bond
- may in the future reside permanently in an overseas country that has lower personal taxes than the UK
- may reside temporarily in an overseas country and will return to the UK in the future
- want their investment to be subject to a trust as part of planning their inheritance tax liability
- may hold part of an extensive portfolio of personal investments.

Not designed for customers who:

- only intend to invest for the short term
- do not understand the specific risks of the investments selected
- expect their marginal rate of tax will increase in the future when benefits are taken from the bond.



Our segmentation approach

Aviva aims to design products that meet the typical requirements of customers. Segmentation models have been created for our unit-linked products (International Core Funds Bond and International With-Profit Bond) and our open architecture product (International Premier Portfolio). The models are based on lifestyle and wealth criteria which helps us to define these customer requirements.

The target audience for our offshore bonds is shown in the matrices below:

International Premier Portfolio

	High		Wealth		Low	
Lifestage	Profile 1	Profile 2	Profile 3	Profile 4	Profile 5	Profile 6
Non-family						
Family						
Pre-retired						
Retired						

International Core Funds Bond and International With-Profit Bond

	High		Wealth		Low	
Lifestage	Profile 1	Profile 2	Profile 3	Profile 4	Profile 5	Profile 6
Non-family						
Family						
Pre-retired						
Retired						

Refer to segment profile definitions over page

Key: Primary core Secondary core Non-core

Please note that purchase of an offshore bond can follow events that happen at any lifestage, for instance through inheritance or a windfall, in addition to the more predictable events such as retirement.

The Aviva customer segmentation model uses a wide variety of indicators and metrics to define typical segment profiles. Some of these key indicators include:

Average household income

Lifestage	Profile 1	Profile 2	Profile 3	Profile 4	Profile 5	Profile 6
Non-family	£100,000 +	£50,000 - £75,000	£20,000 - £50,000	£20,000 - £50,000	< £20,000	< £20,000
Family	£100,000 +	£50,000 - £75,000	£20,000 - £50,000	£20,000 - £50,000	< £20,000	< £20,000
Pre-retired	£100,000 +	£50,000 - £75,000	£20,000 - £50,000	£20,000 - £50,000	< £20,000	< £20,000
Retired	£50,000 - £75,000	£20,000 - £50,000	£20,000 - £50,000	< £20,000	< £20,000	< £20,000

Average savings/investment

Lifestage	Profile 1	Profile 2	Profile 3	Profile 4	Profile 5	Profile 6
Non-family	£25,000	£22,000	£7,900	£3,800	£3,800	£700
Family	£36,000	£28,000	£13,000	£4,800	£4,100	£700
Pre-retired	£44,000	£35,000	£16,000	£6,100	£5,200	£1,100
Retired	£85,000	£70,000	£20,000	£8,200	£4,800	£1,400

Average house equity

Lifestage	Profile 1	Profile 2	Profile 3	Profile 4	Profile 5	Profile 6
Non-family	£18,000	£26,000	£27,000	£25,000	£19,000	£6,000
Family	£65,000	£52,000	£56,000	£30,000	£33,000	£5,000
Pre-retired	£93,000	£85,000	£93,000	£40,000	£74,000	£2,000
Retired	£181,000	£178,000	£167,000	£155,000	£111,000	0

Contact us

For further information, you should contact your Aviva consultant or visit our website www.aviva.co.uk/international

Feedback

If you have questions or comments about this information, please email: offshorehelp@international-aviva.com. Alternatively, you can call us on 0845 300 3899.

The information contained in this document does not constitute financial advice.

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If the company should become unable to meet its liabilities, the Financial Services Compensation Scheme will protect the eligible policyholder of an Aviva Life International Limited bond who is habitually UK resident at the time the contract commences. Registered Office: 6 Georges Dock International Financial Services Centre, Dublin 1, Ireland. Registered in Ireland No 303257. Telephone +353 1 802 8494 Fax + 353 1 802 8400 www.aviva.co.uk/international

