



I'M INTO AVCs...  
for more  
tax-free cash  
at retirement



If you get into additional voluntary contributions (AVCs), you too could build up a tax free lump sum with:

- full tax relief on contributions, subject to your annual allowance
- a wide choice of investment funds which are also largely tax free

If you're *in AVCs* then you've got a lot to feel good about.

Why not call the Prudential on **Freephone 0800 345 7008**

## Prudential has been Strathclyde Pension Fund's in-house AVC provider for more than 10 years.

Last year the Prudential paid out over £8.5m to 500 retiring members of Strathclyde Pension Fund. That's £17,000 a member.

In total the Prudential has helped more than 1,500 members of the Fund build up £18m to boost their retirement prospects.

Remember that in the New Scheme which was introduced in 2009 there is no automatic lump sum at retirement. To get tax free cash you have to give up some of your pension - £1,000 of pension for every £12,000 of lump sum. AVCs allow you to take a tax free lump sum without giving up any pension. This may be especially attractive if you are retiring early,

as the 1:12 "commutation" rate does not factor in that the pension you are giving up is expected to be paid for longer than if you had retired at 65.

Please be aware that a new annual allowance of £50,000 has been introduced from April 2011, so it is important to check that your AVCs do not take you over this limit.

Our AVC provider or our website can help you with these calculations.

You will also need to review the impact of the inevitable future changes to local government pensions on your AVCs whenever these take effect.

### Efficient and Flexible

If you are thinking about an AVC to boost your retirement, remember:

- AVCs are deducted direct from your salary
- there is no minimum or maximum period over which you have to pay AVCs
- you can start / stop / increase / decrease AVCs at any time
- the earlier you start AVCs, the more time you have to build up a reasonable amount
- if you want to take your AVC fund as extra tax free cash at retirement, you will reduce the amount of LGPS pension that you can give up for cash

**Why not call the Prudential on Freephone 0800 345 7008 or visit [www.pru.co.uk/localgov](http://www.pru.co.uk/localgov)**

*Lines are open 9am – 6pm weekdays.*

*Calls may be monitored or recorded for quality and security purposes.*

Alternatively, send an e-mail with your daytime telephone number, to **[strathclydeavc@prudential.co.uk](mailto:strathclydeavc@prudential.co.uk)**. You will then be contacted to discuss your options. Although Prudential don't give advice, with their support you can make informed choices that best suit you. It's always a good time to plan for retirement and help yourself to make a difference.

**For information about your local government pension, go to [www.spfo.org.uk](http://www.spfo.org.uk).**

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