



PRIVATE

Strathclyde Pension Fund Office

AVC Benefit Options Choice Form

Explanatory note:

The Local Government Pension Scheme now gives members a wider choice of benefit options on retirement. Members with AVCs are now able to receive their scheme pension benefits and AVC funds on retirement in one or more of the following ways:

- 1) You may purchase an annuity from the Local Government Pension Scheme.
- 2) If your in house AVC contract started before 30th June 2005 you may elect to convert the AVC fund value into service in the Local Government Pension Scheme.
- 3) You may take all or part of your AVC fund in the form of a lump sum provided the lump sum does not exceed 25% of the combined capital value of your Local Government Benefits and AVC fund.

Benefit Choice

NAME:

N.I. NUMBER:

EMPLOYER:

Retiral Date:

The attached benefit calculation shows an estimate of the amount of benefit payable on your retirement should you decide to take payment of your AVC funds in the following way:

Option 1 – Maximum Pension commuted to increase Lump sum with AVC taken as cash

Signed

Date

Option 2 – Less than maximum pension commuted to increase lump sum with AVC taken as cash

I wish to convert £ _____ of my pension for a larger lump sum at a rate of an additional £12.00 of lump sum for each £1.00 of pension converted .

Signed

Date

(To give up less pension than the maximum allowed you should contact Strathclyde Pension Fund Office to obtain details of the lump sum payable in return for the amount of pension you wish to convert. See contact details below or email spfo@fs.glasgow.gov.uk)

Option 3 – Standard Pension and Lump Sum with AVC taken as cash

I do not wish to convert any part of my pension in return for a larger lump sum

Signed

Dated

Please sign, date and return only the option that refers to your chosen combination of Retirement and AVC benefits. **You must also complete the declaration on page 4, clearly indicating that you have either taken advice from Pension Wise, or that you wish to opt out of receiving advice about your AVC.**

The completed form must then be returned to spfo@glasgow.gov.uk

Please note that Prudential will pay your AVC lump sum into the same bank account as your retirement lump sum.

It is important to note that the AVC fund value used in the calculation is an indication only. The exact value of your AVC fund will only be known when your AVC contract is terminated.

You are advised to carefully consider the benefits before making your choice. Should you require further information or wish to consider a different combination of retirement benefits and AVC funds or a calculation without AVC funds you should contact this office as soon as possible.

This form must be returned prior to your date of retirement. If your election is late you will be given standard benefits from the scheme in accordance with the Finance Act 2004.

Please Note: You may not use any part of your retirement lump sum to provide retirement benefits with another pension provider. This is known as pensions re-cycling and is not permitted under the Finance Act 2004. You will be subject to a tax charge by HMRC should you use any part of your retirement lump sum in this way.

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