

# Group Additional Voluntary Contributions Plan

**Making the most of  
your pension plan**



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# Get more from retirement

**If you've already joined your employer's pension scheme, you can use our Group Additional Voluntary Contributions Plan (GAVC) to top it up. This is perfect for helping you on your way to the retirement you want.**

The GAVC gives you a range of investment options to choose from, and it's easy to manage online so you can keep an eye on your pension plan whenever it suits you.

When we refer to 'Standard Life' in this document we mean Phoenix Life Limited trading as Standard Life.



You need to read the Key Features Document in this pack so you can decide if the GAVC is right for you. If you're still unsure what to do, speak to your employer's pension scheme trustees or your financial adviser.

# We can help

Once you've decided our GAVC is right for you, we will set it up and give you continued support, guidance and some useful financial planning tools to help you make informed decisions about your pension savings.

You can also contact your employer's pension scheme trustees. They will have all the important details about your plan.

We recommend you seek appropriate guidance or advice before you make any decisions. There's likely to be a charge for this.

## Pension Wise from MoneyHelper

From age 50 you can also get free impartial guidance from Pension Wise, a service from MoneyHelper. Visit **[moneyhelper.org.uk/pensionwise](https://moneyhelper.org.uk/pensionwise)** or call 0800 138 3944. MoneyHelper guides are also available at **[moneyhelper.org.uk](https://moneyhelper.org.uk)**



If you'd like help with your application or pension details please call us on **0800 634 7480** (but remember, we can't give you financial advice). Call charges will vary.

# How it adds up

## Tax benefits on payments

You'll get tax relief on any payments that you make, normally at your highest income tax rate. Your employer will take your GAVC payment from your salary before tax has been calculated.

So if you're a basic rate taxpayer and your payment was £100 the amount of income tax you pay is reduced by £20 – if you're a higher rate taxpayer, it would be £40.

If you are a higher or additional rate taxpayer, you'll need to claim any further tax relief from HM Revenue & Customs.

Laws and tax rules may change in the future. The information here is based on our understanding in November 2023. Your personal circumstances and where you live in the UK will also have an impact on tax treatment.



For more details please read the guide **Information about tax relief, limits and your pension (GEN658)**, or speak to an adviser.

“My retirement plans are simple. I want a pension plan to match.”

# How your pension plan pays out

There are a range of ways for you to access your pension savings when you reach 55 (rising to 57 on 6 April 2028).

The options are:

1. guaranteed income for life (annuity)
2. flexible income (drawdown)
3. cash – one or more lump sums
4. combination of all options

When the time comes for you to consider retirement, we'll write to you and explain your options in more detail, to help you find the right option for you.

Not all of these retirement options are available under this product. You can easily access these new options by transferring to another product that allows them.

Transferring will not be right for everyone. There are a number of points to consider, as you could be losing money by giving up any valuable benefits or guarantees that your current plan offers.

You might also want to seek appropriate guidance or advice before you make any decisions. There's likely to be a charge for this. In the meantime, here's a quick summary of how it works.

## Guaranteed income for life

Guaranteed income for life (annuity) is easy to set up and won't need any further attention from then on. You have to pay income tax on it, just as you would your salary. You should be aware that the decision to purchase a guaranteed income should be carefully considered, as it normally can't be changed in the future.

Whether you're thinking about flexible or guaranteed income – take time to shop around for the best deal. You could transfer your pension plan to another provider and you might get better retirement benefits.

## Flexible income

Flexible income, or drawdown, gives you the freedom to choose your own level of income and the flexibility to suit your personal needs. To access this you may need to move to a different pension product which offers this functionality. Different charges may apply. It's important to remember that your money stays invested, so its value can go down as well as up. You may get back less than was paid in.

## **Take cash from your pension plan**

You can now take your full retirement savings as one or more lump sums. 25% is normally tax free but anything over this is taxed as regular UK income.

## **Combining your options**

You can also combine your retirement options.

## **How much should you invest?**

The GAVC is flexible. You can change how much you pay in regularly or pay in lump sums – and every year we'll send you a statement to keep you up-to-date.

Please check with your employer, they'll be able to tell you what you can and can't do.

## **How much can you pay in?**

HM Revenue & Customs has an annual allowance for the total payments that you, your employer and any third party can make to all your pension arrangements.

For more details please read the guide 'Information about tax relief, limits and your pension' (GEN658), or speak to a financial adviser.



# What are the charges?

The 'How to choose the right investment options for your pension' guide will give you details about the charges which apply to each fund.

## **Fund management charge**

We apply a charge to money invested in our funds. This is known as the fund management charge (FMC) and is shown as an annual rate. However, we deduct the charge from each fund on a daily basis, which has the effect of reducing its unit price.

## **Additional expenses**

Additional expenses may be deducted from some funds. They include items such as custodian, third party administration, trustee, registrar, auditor and regulator fees. Where a fund invests in other underlying funds, they may also include the underlying management charges.

As the additional expenses relate to expenses incurred during the fund management process, they will regularly increase and decrease as a percentage of the fund, sometimes significantly. The additional expenses figure shown is the annual rate of the charge. But where additional expenses

apply, they are taken into account when the fund's unit price is calculated each day.

If a performance fee applies to a fund, it is included in the additional expenses figure retrospectively.

## **With-profits**

For investment in with-profits there is no explicit FMC or additional expenses, but we make similar deductions, as well as deductions for the cost of guarantees provided by with-profits business. These deductions, which may vary, may affect the proceeds you receive from your plan, although they will not reduce any guaranteed benefits.

## **Total annual fund charge**

The total annual fund charge is the FMC plus additional expenses.

If you're not sure about the charges which apply to the funds you can invest in, please contact your employer or give us a call.

Charges are not guaranteed. They are regularly reviewed and may be changed in the future.

# Keep up-to-date with your pension plan

The best way to keep up-to-date on the progress of your pension plan is to register for online services.

Online you'll be able to:

- check how much your plan is worth
- update your personal information
- get a retirement illustration
- view all your plan information including payments and statements

You can also access online services via our mobile app, available for iOS and Android devices.

To register for online services visit  
**[standardlife.co.uk/register](https://standardlife.co.uk/register)**



# What to do next



## Please read

Read all the documents in this pack, especially the Key Features Document, to make sure the GAVC is right for you.



## Plan ahead

It's a good idea to think about the future and how much money you'll need in retirement.

Our retirement planner can help with that

**[standardlife.co.uk/retirementplanner](https://standardlife.co.uk/retirementplanner)**

## Choose where you want your money to go

Choose from a range of investment funds available to you. If you're not sure about your choices, please speak to a financial adviser. With any investment the value can go down as well as up and may be worth less than what was paid in.



## Complete and sign

Complete your application and give it to your employer. You can then join the plan as soon as your terms of employment allow.



## For help with your application call us on 0800 634 7480

Call charges will vary.

# The GAVC at a glance

- **Top up your pension plan and boost your pension savings**
- **It's flexible on how much you can pay in**
- **You can manage your pension plan online**
- **Get tax benefits on payments**
- **Standard Life – a company you can trust**

## Notes

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## Notes

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# Find out more

## Call us on 0800 634 7480

Monday, Tuesday, Thursday, 9am to 5pm

Wednesday, 10am to 5pm

Friday, 9am to 4pm.

Call charges will vary.

## [standardlife.co.uk](https://standardlife.co.uk)

### **[www.standardlife.co.uk](https://www.standardlife.co.uk)**

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