

# Topping up your pension

- Variable Group AVC – including Millennium Series
- Group AVC – established with Norwich Union or Provident Mutual
- Sterling Group Plan AVC Scheme
- Everyman AVC Scheme

A member's guide



**NORWICH  
UNION**  
an AVIVA company

*We just make it easier.*

# Welcome to Norwich Union

By choosing **Norwich Union**, you benefit from the financial strength of the UK's largest insurer. Together with millions of customers, we believe you can feel certain of your choice whether you invest for the future, provide against the unexpected or protect the things that are important to you.

Norwich Union aims for superior long-term investment performance and, as one of the UK's strongest financial companies, we have the strength to deliver. Our size and efficiency give us even greater opportunities to provide an extensive range of value-for-money, quality products – Investments, retirement, protection and healthcare – designed to meet your needs, both now and in the future.

# Introduction

As a member of your company pension scheme, you're already in a better position than those with just the State to rely on. But you may still be concerned that the pension you'll receive at retirement will fall far short of your expectations.

This could be particularly true if you have changed jobs and worked for more than one employer. Or, you may even be thinking about retiring early.

That's why your employer has arranged a 'top-up' pension plan – an Additional Voluntary Contribution plan (AVC) – with Norwich Union. And whether you're four years from retirement or forty, by paying into an AVC plan you can boost your company pension.

So take a little time to look through this guide to find out more about topping up your pension and how it could help you look forward to a more financially secure future.

It could prove to be time very profitably spent.

## The advantages of paying AVCs

### Flexibility

One of the great things about AVCs is their flexibility. You can make regular monthly payments.

Of course, if for any reason your circumstances change you can stop paying for a while. The great thing about AVCs is that you invest at a level you can afford, when you can afford it.

### Tax efficiency

Your payments will receive income tax relief – the level depending on your rate of tax.

For example, if you're a basic rate taxpayer and pay £50 a month into your plan, your tax relief will be £10, so the 'real' cost to you will be £40. If you're a higher rate tax-payer, your tax relief would be £20, so the 'real' cost to you would be £30.

Tax benefits don't stop with your payments. Your fund will grow free of UK income and capital gains tax. Corporation tax is paid on dividends received from UK shares.

This is based on our understanding of current tax laws. The laws relating to tax may change in the future. The examples are based on basic rate tax of 20% and higher rate tax of 40% for tax year 2008/2009.

