

JOINING THE SCOTTISH TEACHERS' SUPERANNUATION SCHEME

Welcome. As a member of the teaching profession in Scotland, you have been included automatically into the Scottish Teachers' Superannuation Scheme (STSS). The Scottish Public Pensions Agency (SPPA) administers the Scheme.

It is a defined benefit scheme and an important and valuable staff benefit for people working in the teaching profession. Being a member of the STSS is one of the ways in which you can prepare financially for your retirement. Both you and your employer (who makes a substantial payment) contribute towards the cost of your pension. All deductions are taken monthly, direct from your salary by your payroll department and are submitted to SPPA and are subject to tax-relief.

Your employer will provide you with a copy of the Members Guide when you commence employment which contains full details about the scheme. If, after reading the information, you decide that you do not wish to be a member, you should complete form STSS: OPT OUT which is available from your employer. However, before Opting Out, you should note the benefits available to members of the scheme:-

- **On joining, you may be able to transfer in pension credit from another scheme - this must be done within 12 months of joining the scheme.**
- **When you have accrued 2 years membership, you will become entitled to a pension at normal retirement age. This will guarantee a regular monthly income after you retire. The pension is index-linked annually.**
- **When you retire you will have an option to commute part of your pension for a tax-free lump sum. If you were a member of the scheme prior to 1 April 2007, you will automatically receive a lump sum.**
- **You will have the option to purchase additional pension benefits by paying extra contributions. This can be deducted along with your regular contributions or paid as a lump sum. You can also choose to top up your pension with Additional Voluntary Contributions from our recommended in-house provider, see over for further information. Contact www.pru.co.uk/teachers/ or alternatively from an other AVC provider. You can get advice about from an independent financial adviser.**
- **If you become too ill to teach, you may apply to receive your pension early. You could then receive benefits based on the service accrued to ill-health retirement or, if your ability to carry out any work is impaired by more than 90% and is likely permanently to be so, you would receive enhanced benefits.**
- **Should you die before you retire, a death grant of 3 times pensionable pay will be paid to your legal spouse, registered civil partner or nominated beneficiary. Unmarried qualifying partners will require to be nominated prior to the death of the member.**
- **Benefits for your family and other dependants may be payable after your retire or if you die before retirement. These will be based on your pay and service.**
- **If you leave STSS employment before you retire, there are options available to you such as transferring to another scheme, preserving the benefits accrued until your normal retirement age or receiving a refund of your contributions in respect of short service.**

Details on transferring in and out, purchasing additional pension, nominating for death benefits and more can be obtained from our website at www.sppa.gov.uk. Should you require to contact us our address is Scottish Public Pensions Agency, 7 Tweedside Park, Galashiels, TD1 3TE or telephone on 01896 893 000.

Teachers' Additional Voluntary Contributions (from the Prudential)

AVCs are a great way to top up the tax-free lump sum and pension from your main Scottish Teachers' Superannuation Scheme (STSS).

Whether you are already a member or are thinking about joining, here are 6 Good Reasons to choose Teachers' Additional Voluntary Contributions (TAVCs).

1. Prudential's been working closely with the STSS since 1989.
2. Your contributions qualify for tax relief.
3. Your contributions are paid direct from your salary – with immediate tax relief so no need for complicated tax forms.
4. Stop, start increase or decrease your contributions at any time.
5. You can choose where to invest from our wide range of largely tax-free funds.
6. You can choose how you want your benefits – and receive up to 25% of your pension fund as a tax-free lump sum.

For further information to join, increase contributions or pay in a lump sum, call our Teachers' AVC specialists on 0845 070 0007 please quote 000632 when calling. They will be happy to help and can even complete all the paperwork over the telephone. Lines are open between 9am and 7pm Monday to Friday and 9am to 1pm on Saturdays. Calls are charged at local call rates.

You also have the option of buying Additional Pension Benefit within your pension scheme. For more information, please contact Scottish Teachers' Superannuation Scheme on 01896 893000 or visit www.sppa.gov.uk

The value of tax savings will depend on individual circumstances and all tax rules may change in the future.

Members of the STSS may opt to purchase AVC's from either the Prudential (the in-house provider) or alternatively select any other AVC provider. Advice should be obtained from an independent financial adviser before making a commitment.