



DC Core

Additional Voluntary Contributions (AVCs) Form

You should complete this form if you would like to make AVCs to DC Core in addition to your regular contributions to DC Core, or wish to revise the rate at which you are currently making AVCs.

You should only consider making AVCs if you are already making main pension contributions of 8% to DC Core. This is because any main pension contributions you make to DC Core up to 8% attract Company contributions as well, unlike AVCs.

Part 1 - Your details

Please complete in **BLOCK CAPITALS**

STRICTLY PRIVATE AND CONFIDENTIAL

Title: _____	National Insurance number: _____
First name: _____	Employee number: _____
Surname: _____	Work location: _____
Date of birth: _____	Contact phone number: _____

Part 2 - Your AVCs

A I wish to contribute % of my Pensionable Earnings each month to DC Core as an AVC.
(whole numbers, minimum 1%)

OR

You can express your contribution as a gross monthly amount and we will convert this amount into the nearest whole percentage of your annual Pensionable Earnings for you, which means that your AVC will change if your Pensionable Earnings change in future.

I wish to contribute £ each month to DC Core as an AVC.

B It is also possible to make one-off lump sum payments to DC Core. Please note that the lump sum payable must be no greater than your monthly gross pay less all regular deductions.

I wish to make a one-off lump sum payment of £ to DC Core as an AVC
(at the next effective pay date).

I wish to make a one-off lump sum of % of the bonus which is due to be paid to me
(at the next effective pay date).

Please sign the declaration in Part 4.

Part 3 - Your investment choices

Please indicate how you would like your AVCs to be invested below.

If you have previously made AVCs to DC Core, we will invest your new contributions in accordance with your existing investment choices unless you tell us otherwise below.

You can either choose to invest all of your contributions in the Lifetime Pathway option or in one or a combination of self-select funds. You can find more information about each of the investment options in the Investment Choices Summary booklet, or on the DC investments section of the Fund’s website. If you do not make a selection below, we will invest your contributions in the Lifetime Pathway fund with a Target Retirement Age of your current Normal Pension Age.

Lifetime Pathway

If you have chosen the Lifetime Pathway option, please select a Target Retirement Age.

(please tick)

OR

Self-select fund choices	Selection
Equities	%
Property	%
Blended Assets	%
Corporate Bonds	%
Pre-retirement to annuity	%
Pre-retirement to cash	%
Cash	%
Ethical Growth	%
Ethical Consolidation	%
	100%

Target Retirement Age

Only complete this section if you have selected the Lifetime Pathway option.

If you have selected the Lifetime Pathway option, you also need to select the age at which you would like to retire. This can be any age from age 55 and can be different to your Normal Pension Age. Specifying a Target Retirement Age does not change your Normal Pension Age in the Fund or affect your contractual retirement age. If you do not select a Target Retirement Age, we will use your current Normal Pension Age.

My Target Retirement Age is:

(whole years)

Part 4 - Declaration

I have considered all the information available regarding my AVC options. I authorise you to implement my contribution and investment instructions outlined on the previous pages from the next effective pay date.

I understand that if I have not made an investment choice, you will invest my AVCs in the Lifetime Pathway using my Normal Pension Age as my Target Retirement Age.

Regular monthly AVCs (employees other than Galderma or Osem)

- I agree that any regular monthly AVCs I wish to fund from this date forward will automatically be entered into a salary sacrifice arrangement on the first of the month following completion of one month's membership of the Nestlé UK Pension Fund (the Fund):
- I understand I will not make any personal AVCs to the Fund and the level of my future contractual gross pay will be reduced by an amount equal to the AVCs I would otherwise have made. In exchange for the reduction in my pay, Nestlé will pay additional employer contributions to the Fund for my benefit, which will be equal to the amount of the AVCs I would otherwise have made. I understand that these arrangements, including the reduction in my contractual gross pay, will represent a change to my terms and conditions of employment, and I confirm my agreement to that change. I agree that the Trustee should provide a copy of this form to my employer as evidence of that agreement. I understand that I do not have to participate on a salary sacrifice basis and I have the right to opt out of salary sacrifice by advising Nestlé Pensions in advance.
- I understand that any regular AVC payments that I fund on this basis may stop at my request in future, provided I submit one month's notice in writing to Nestlé Pensions by completing an Additional Voluntary Contributions (AVCs) Cessation of Payment Form. In these circumstances, I understand my salary will revert to my pre-sacrifice salary in relation to these contributions only.

One-off lump sum contributions (employees other than Galderma or Osem)

- I agree that any one-off lump sum contributions will automatically be entered into a salary sacrifice arrangement on the first of the month following completion of one month's membership of the Nestlé UK Pension Fund (the Fund).
- I understand that I am only able to do this by completing this form and providing notice to Nestlé Pensions, which must be received in advance of any contractual entitlement to be paid those amounts as earnings. Where those amounts may include my eligibility to receive a cash bonus, I will advise Nestlé Pensions of my formal confirmation of my unconditional waiver of any entitlement to the cash bonus in exchange for an additional employer pension contribution of the same amount.
- I understand I will cease to make a personal one-off lump sum contribution to the pension scheme and the level of my contractual gross pay will be reduced by an amount equal to the payment I would otherwise have made. In exchange for the reduction in my pay, Nestlé will pay additional employer contributions to the Fund for my benefit, which will be equal to the amount of the contribution I would otherwise have made. I understand that these arrangements, including the reduction in my contractual gross pay, will represent a change to my terms and conditions of employment, and I confirm my agreement to that change. I agree that the Trustee should provide a copy of this form to my employer as evidence of that agreement. I understand that following this arrangement, my salary will revert to my pre-sacrifice salary in relation to this additional contribution only.

Allowances

I confirm that should the Company make an additional pension contribution on my behalf, this would fall within my Annual Allowance including any unused element of my Annual Allowance for the previous three tax years, as provided for under the pension regime that came into effect on 6 April 2011. I further accept that it is my responsibility to consider the potential effects of such contributions on the Lifetime Allowance. Notwithstanding this, I further understand that in the event such a contribution were to exceed my Annual and/or Lifetime Allowance, I shall be responsible for any consequential tax and National Insurance liability that may arise.

Signed:

Date:

Please return this form to: Nestlé Pensions, 1 City Place, Gatwick, RH6 0PA.

Notes

Additional Voluntary Contributions and tax relief

You can pay as much as you like into your pension, but there are limits to how much tax relief you can receive. The pension you build up is subject to an Annual Allowance, a Lifetime Allowance and may also be subject to a Money Purchase Annual Allowance in certain circumstances. If your benefits exceed any of these allowances, they will be subject to a tax charge. You should be aware of these allowances when considering making AVCs.

Annual Allowance (AA)

The AA is the maximum amount by which the value of your pension benefits from all sources (excluding State Pension) can increase in any one tax year without incurring a tax charge.

The AA is £40,000 for most people, although a lower limit of £4,000 (Money Purchase Annual Allowance - see below) may also apply in certain circumstances. From 6 April 2016 the AA has reduced for most people with 'Adjusted Income' above £150,000 a year through the introduction of a Tapered Annual Allowance. If you exceed the AA in a given tax year, you are required to declare the excess and pay the charge as part of your annual income tax return. If we are aware that you have exceeded or are going to exceed the AA in a specific tax year, we will send you an AA Pensions Savings Statement with details of your total 'Pension Input Amount' in the Fund once the tax year has ended.

Lifetime Allowance (LTA)

When you retire, the value of your Fund benefits plus any previous benefits you may have built up elsewhere (excluding State Pension) will be tested against the LTA at that time. If the total value of all your benefits exceeds the LTA at retirement, you will have to pay a tax charge, payable to HM Revenue & Customs. The LTA charge only becomes payable at the point when you put benefits into payment that exceed the LTA. The LTA for the year 2018/19 is £1.03 million.

Money Purchase Annual Allowance (MPAA)

The amount of money you can pay to a Defined Contribution arrangement like DC Start or DC Core is restricted to £4,000 a year including any employer contributions where payable, if you:

- Started to take benefits from a defined contribution pension arrangement on or after 6 April 2015; and
- Accessed your monies from that arrangement 'flexibly' under the 'Freedom and choice' options that were introduced on 6 April 2015.

By 'flexibly', we mean if you:

- Took more than 25% of your retirement savings from that arrangement in the form of a cash lump sum; or
- Are withdrawing monies directly from your retirement savings within that arrangement to provide a regular income ('flexi-access drawdown').

The MPAA is expected to reduce to £4,000, following the passing of the new Finance Bill in September 2017. This will be backdated to be effective from 6 April 2017.

You should let Nestlé Pensions know immediately if you think you might be affected by the MPAA.



See 'DC benefits' on the Fund's website (www.nimpensions.co.uk / password: nestlepensions) for the most up-to-date information about tax relief and allowances.