

A lifetime's savings lost in a moment.



Pension scams. Don't get stung.

ActionFraud
Report Fraud & Internet Crime

THE
PENSIONS
ADVISORY SERVICE

Pension scams are on the increase. You may have already been targeted.

The scammers have a variety of tricks to catch you out. They may:



- claim that you can access your pension pot before age 55
- approach you out of the blue over the phone, via text message or in person door-to-door
- entice you with upfront cash
- offer a free 'pension review' or try to lure you in with so-called 'one-off' investment opportunities.

The scammers may even pretend that the Government has asked them to contact you. What they won't tell you is that you'll probably never see your pension pot again. Don't be fooled by their promises.

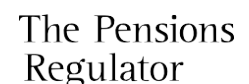
**Check the facts before you make an irreversible decision.
A lifetime's savings can be lost in a moment.**

What to do if you think you're being targeted:

- Never be rushed or pressured into making a decision
- Before you sign anything, call The Pensions Advisory Service on 0300 123 1047
- If you have already accepted an offer, call Action Fraud on 0300 123 2040

Visit www.pension-scams.com to find out more.

A cross-government initiative by:



Dear Member

We are writing to you as you may be considering transferring your pension. In these times of financial uncertainty, we are asking you to be very careful. Since the coronavirus outbreak began, stock markets have fallen and are likely to go up and down for some time. However, your pension remains a safe, long-term investment for your retirement, and transferring it is a serious decision so please do not do anything in haste.

If anyone approaches you directly to offer transfer advice, be on your guard. The government has banned cold calling for pensions, so if anyone calls you out of the blue about yours, just hang up – it could be a scam. You can also visit the ScamSmart website at www.fca.org.uk/scamsmart to check the firm you are dealing with is regulated and to see whether what you're being offered is a known scam or has the signs of a scam.

There are two types of pension – defined benefit (DB) and defined contribution (DC). If you have a DB pension, the benefits you'll get in retirement (including how much you get paid each month) are specified – whereas with a DC pension, your benefits will depend on the performance of investments and the level of contributions made by you and your employer before your retirement.

Legislation gives you the right to 'transfer' your pension. However, whilst you have this right, in most cases, transferring out of a DB pension scheme into a different type of pension arrangement is unlikely to be in your best long-term interests as you'll be giving up a valuable level of predictability in your retirement income. You will also give up the protection that is offered by the Pension Protection Fund (PPF), in case your employer becomes insolvent.

The PPF has a duty to protect people with an eligible defined benefit pension when an employer becomes insolvent. So, if you are a member of an eligible DB scheme and your employer goes out of business and cannot afford to pay you the benefits due then the PPF will pay you compensation. This provides an important safety net if your scheme can't pay what was promised. More information on the PPF and the level of protection it gives to eligible DB schemes can be found at: <https://www.ppf.co.uk/who-we-are>

Please remember that you can't change your mind once you've transferred out of a DB Pension. It is therefore really important that you get guidance or advice before making a decision. The Pensions Advisory Service (TPAS) is part of the Money and Pensions Service and offers free specialist pensions guidance and will help answer any questions you may have. If your transfer value is more than £30,000, you are required by law to take advice from a suitably qualified financial adviser regulated by the Financial Conduct Authority (FCA), before you can transfer your benefits to a DC pension scheme.

Take your time to make all the checks you need – you can find suggested questions to ask your adviser on the FCA's website: <https://fca.org.uk/consumers/what-ask-adviser> with further information on pension transfers at <https://www.fca.org.uk/consumers/pension-transfer>

We hope that you are able to stay safe and well in these difficult times.

Yours sincerely



Nicola Parish
The Pensions Regulator



Megan Butler
Financial Conduct Authority



Alex Connolly
The Money and Pensions Service