

# ScamSmart Pension Scams Web Article

Here is a ScamSmart pension scams article for you to use in your printed publications, blogs, websites or any customer communications. Feel free to cut down the length of the article to fit your purpose.

## Don't let a scammer enjoy your retirement

**Scammers are targeting pension pots of all sizes. Make sure you know how to spot the warning signs and how to keep your pension safe.**

Pension scams can be hard to spot. Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing.

### How pension scams work

Scammers usually contact people out of the blue via phone, email or text, or even advertise online.

Scammers design attractive offers to persuade you to transfer your pension pot to them (or to release funds from it). It is often then:

- invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units;
- invested in more conventional products, but within an unnecessarily complex structure which hides multiple fees and high charges; or
- simply stolen outright.

### The warning signs

Scam offers often include:

- Free pension reviews
- Higher returns - guarantees they can get you better returns on your pension savings
- Help to release cash from your pension, even though you're under 55 (an offer to release funds before age 55 is highly likely to be a scam).
- High pressure sales tactics - the scammers may try to pressure you with 'time limited offers' or even send a courier to your door to wait while you sign documents.
- Unusual investments - which tend to be unregulated and high risk, and may be difficult to sell if you need access to your money.
- Complicated structures where it isn't clear where your money will end up.
- Long-term pension investments – which mean it could be several years before you realise something is wrong.

## **4 simple steps to protect yourself from pension scams**

### Step 1 - Reject unexpected offers

If you're contacted out of the blue about a pension opportunity, chances are it's high risk or a scam. If you get a cold call about your pension, the safest thing to do is to hang up - it's illegal and probably a scam.

Be wary of offers of free pension reviews. Professional advice on pensions is not free – a free offer out of the blue from a company you have not dealt with before is probably a scam.

And don't be talked into something by someone you know. They could be getting scammed, so check everything yourself.

### Step 2 - Check who you're dealing with

- Check the [Financial Services Register](#) to make sure that anyone offering you advice or other financial services is authorised by the Financial Conduct Authority (FCA), and they are permitted to provide those services in relation to pensions. If you need any help checking, call the FCA Consumer Helpline on 0800 111 6768.
- Check they are not a clone - a common scam is to pretend to be a genuine FCA authorised firm (called a 'clone firm'). Always use the contact details on the Register, not the details the firm gives you.

### Step 3 - Don't be rushed or pressured

- Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

### Step 4 - Get impartial information or advice

You should seriously consider seeking financial guidance or advice before changing your pension arrangements.

- [The Pensions Advisory Service](#) - provide free independent and impartial information and guidance.
- [Pension Wise](#) - If you're over 50 and have a defined contribution pension, Pension Wise offers pre-booked appointments to talk through your retirement options.
- Financial advisers - It's important you make the best decision for your own personal circumstances so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use an adviser that is regulated by the FCA and never take advice from the company that contacted you or from someone they recommend, as this may be part of the scam.

### **If you suspect a scam, report it**

- [Report to Action Fraud](#) - If you suspect a scam you should report it to Action Fraud on 0300 123 2040 or at [www.actionfraud.police.uk](http://www.actionfraud.police.uk).
- If you've agreed to transfer your pension and now suspect a scam, contact your pension provider straight away. They may be able to stop a transfer that hasn't taken place yet. If you are unsure of what to do contact The Pensions Advisory Service for help on 0800 011 3797.

**Be ScamSmart with your pension. To find out more, visit [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)**