

**PUZZLED BY PENSIONS?**

# BEWARE PENSION SCAMS

Pensions

## Have you been encouraged to transfer your pension pot?

### THE HOOK

Contact is usually out of the blue; a text or cold call, sometimes via websites.

#### THIS IS THE HOOK

Transfer your pension pot to us:

- Guaranteed returns of 8% on your savings.
- Immediate access to cash.
- We can offer non-repayable loans.
- Why wait till 55, access your pension pot now.

### THE HUSTLE

Scammers will suggest it is part of a Government initiative, or that it is time for your annual review.

They will claim that their offer is a once in a lifetime opportunity, or that they've found a legal loophole.

They will put you under pressure to sign up quickly, often sending a motorcycle courier for your paperwork.

They will have a very professional looking website because the scammers are good at what they do.

#### THIS IS THE HUSTLE

### THE REALITY

Pension scams are serious. If you fall victim, it's likely that you could lose some, but more than likely all of your pension savings.

The scammers don't tell you that they will take excessive commission costs or fees for dealing with your transfer, sometimes up to one third of your pension pot.

If you receive cash from your pension before you are 55 you are likely to be hit by significant tax charges. HMRC will charge you usually more than half of the value of your pension pot.

In 2017 it was reported that the average amount swindled out of pension scam victims was £91,000 each – the real cost is substantially higher because pension scams ruin lives.



Usdaw says "If it sounds too good to be true, it often is!"

If you are approached by an adviser to transfer your pension pot and you have any concerns, contact the Usdaw Pensions Section on 0161 224 2804 or email your enquiry to [pensions@usdaw.org.uk](mailto:pensions@usdaw.org.uk)