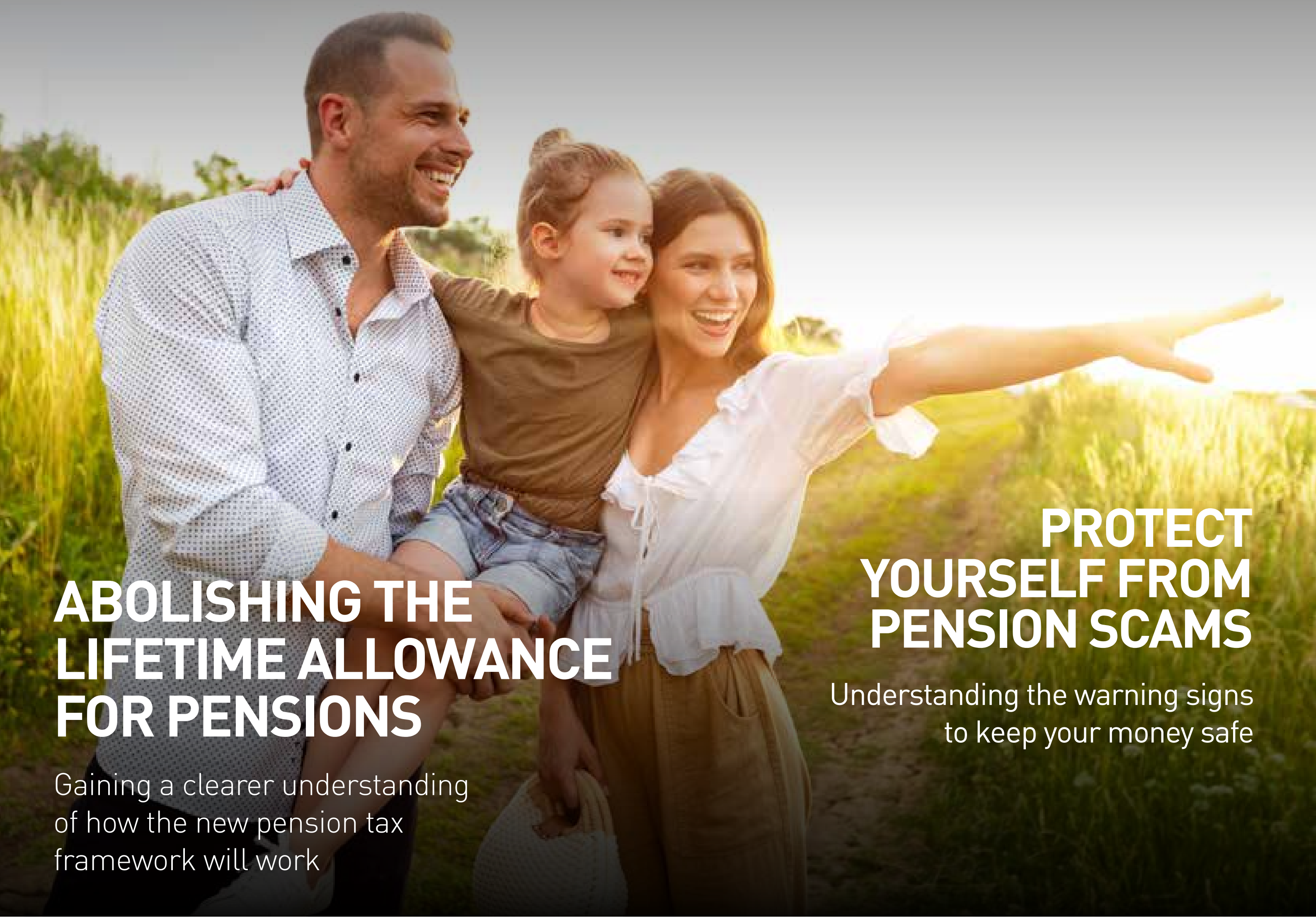
INSIGHT

ISSUE 7 2024

JEOPARDISING FINANCIAL STABILITY

Protecting you and your family's financial future



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MGP

Insight 2024
Introduction

Welcome to the latest edition of **Insight**. Securing your family's financial future is a multifaceted responsibility beyond merely accumulating savings and making long-term investments. It encompasses the creation of a comprehensive plan that ensures the wellbeing of your loved ones, even in the face of unexpected adversities. On page XX, we look at a recent report that has revealed that a significant number of UK residents are ill-prepared to meet their monthly expenditure if they were to become incapacitated due to illness or disability.

Being online more means criminals have a greater opportunity to approach unsuspecting victims with their scams. Online scams can have a devastating financial and emotional impact on victims. Pension scammers are bombarding the public with scam calls, texts and emails and it can be easy to fall victim to such a scam. Anyone thinking about making an investment should always do their research first. Read the article on page 12.

On page 10, we explain a significant 2024/25 tax year policy change that will profoundly impact pension savers. Following last year's Autumn Statement, the government announced its decision to abolish the Lifetime Allowance (LTA) for pensions, which took effect on 6 April 2024. While it removes a key constraint for pension savers, introducing new allowances adds complexity.

Significant life changes, such as getting married, having a baby and buying a property, are key times to consider protecting your family's future. Life insurance assures that your loved ones won't face financial stress in your absence and this peace of mind is not confined to those earning an income. Read the full article on page 03.

In the ever-evolving landscape of retirement planning, a significant shift is on the horizon that could potentially impact when you can access your pension funds. From April 6, 2028, the NMPA will rise to 57. Depending on your birth date, this shift could affect you in various ways. On page 04, if your birthday falls after April 5, 1973, it's advisable to reassess any pre-existing plans to see whether this change could impact them.

A full list of the articles featured in this issue appears opposite.

SECURE YOUR FINANCIAL FUTURE WITH MGP

Planning for retirement, safeguarding your family's future, or ensuring the smooth transfer of your wealth—MGP is here to help. We see the bigger picture, ensuring all your financial needs and dreams are considered and addressed. Please contact us to learn how MGP can assist you on life's journey. We look forward to hearing from you.

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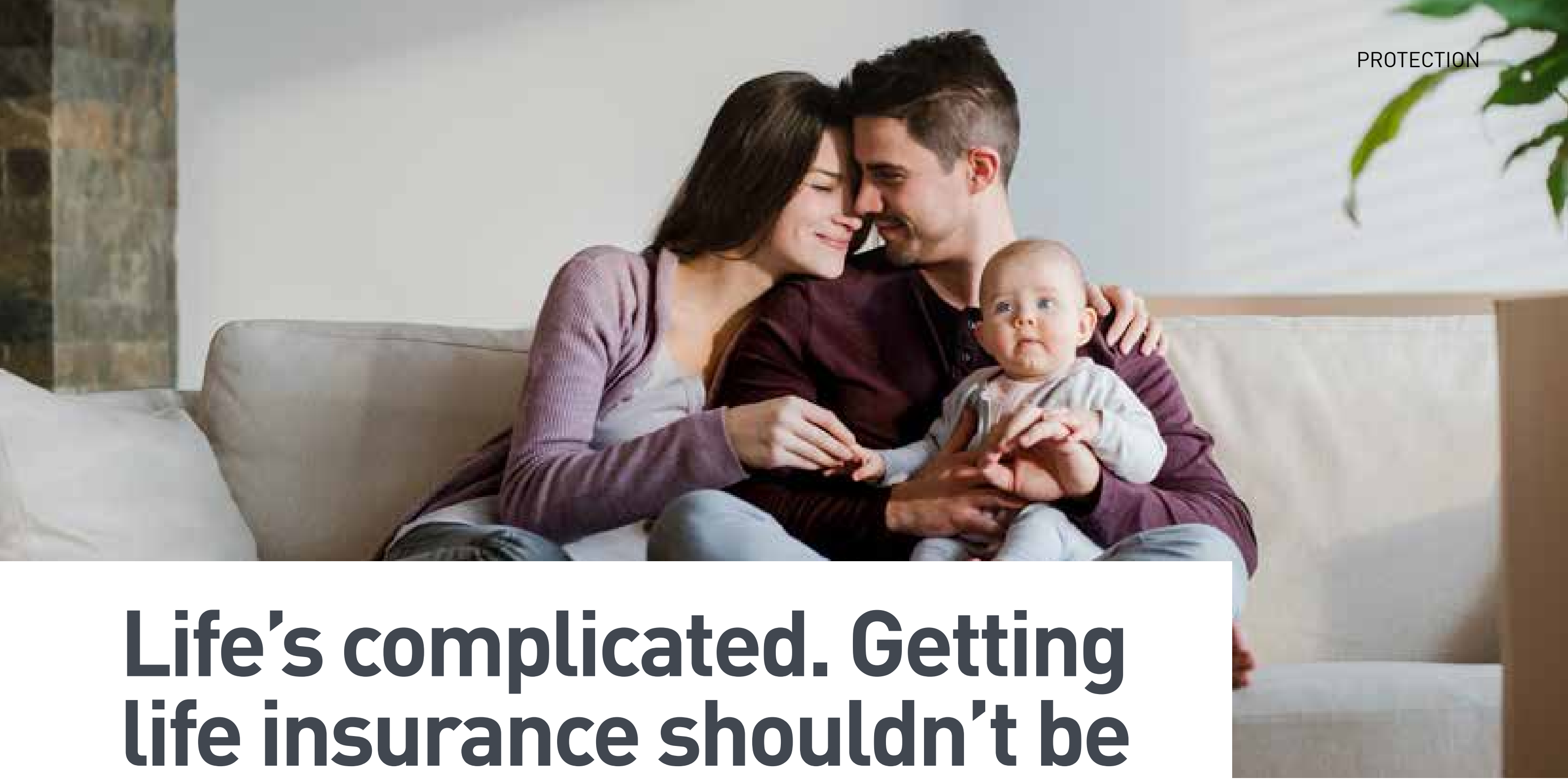

Life's complicated. Getting life insurance shouldn't be

Make sure your loved ones are looked after should the worst happen

SIGNIFICANT LIFE CHANGES, SUCH AS GETTING MARRIED, HAVING A BABY AND BUYING A PROPERTY, ARE KEY TIMES TO CONSIDER PROTECTING YOUR FAMILY'S FUTURE. LIFE INSURANCE ASSURES THAT YOUR LOVED ONES WON'T FACE FINANCIAL STRESS IN YOUR ABSENCE AND THIS PEACE OF MIND IS NOT CONFINED TO THOSE EARNING AN INCOME.

Even if you're not currently working, for instance, if you've taken a career break to raise children, your demise could impose unexpected costs such as childcare on the surviving partner. A life insurance payout could alleviate these expenses.

EASING THE STRAIN DURING AN EMOTIONALLY CHALLENGING TIME

The government does provide some benefits like Bereavement Support when a family member passes away. However, these benefits typically fall short of covering living costs. Moreover, even if you have a Will to financially support your family posthumously, the estate distribution process can be time-consuming. A life insurance payout can cover interim expenses or contribute towards funeral costs, easing the strain during an emotionally challenging time.

There are scenarios where life insurance may not be necessary. For instance, if you're single with no financial dependents or your partner earns enough to support your family without your income. However, remember that a life insurance payout could still be beneficial by allowing your partner to take time off work to grieve. Additionally, you can purchase life insurance more cheaply the younger you are and while you are in good health.

TYPES AVAILABLE AND HOW THEY ALIGN WITH YOUR CIRCUMSTANCES

Choosing the right life insurance policy necessitates understanding the types available and how they align with your circumstances. Often paired with a mortgage, term life insurance is a popular choice. It provides coverage for a specific term and only pays out if you die within the agreed period. There's no lump sum or refund if you outlive the term.

On the other hand, whole life insurance covers you for your entire life, provided you keep up with the monthly premiums. The guarantee of a payout makes these premiums higher. Life insurance typically only pays out in the event of death, but some policies offer a terminal benefit, paying out early if you're diagnosed with a terminal illness. Some insurers also provide integrated critical illness cover for slightly higher premiums.

SCRUTINISE YOUR CONTRACT TERMS CAREFULLY TO UNDERSTAND WHAT IS AND ISN'T COVERED

It's important to note that most life insurance policies exclude certain causes of death, such as those resulting from drug or alcohol abuse. If you've been diagnosed with a severe illness, a basic life insurance policy may also exclude causes of death related to this illness. Therefore, we can advise and help you scrutinise your contract terms carefully to understand what is and isn't covered.

WANT TO DISCUSS PROTECTING THE FUTURE OF YOUR LOVED ONES SHOULD ANYTHING HAPPEN TO YOU?

Please contact us to learn more about life insurance and find the right policy for your needs. We are here to assist you in making an informed decision that best suits your individual circumstances.

Adjusting your pension plans

How could the normal minimum pension age change affect your plans?

IN THE EVER-EVOLVING LANDSCAPE OF RETIREMENT PLANNING, A SIGNIFICANT SHIFT IS ON THE HORIZON THAT COULD POTENTIALLY IMPACT WHEN YOU CAN ACCESS YOUR PENSION FUNDS. THE NORMAL MINIMUM PENSION AGE (NMPA), OR THE AGE AT WHICH YOU CAN START WITHDRAWING FROM YOUR PENSION SAVINGS, IS CURRENTLY SET AT 55.

There are a few exceptions to this rule – for instance, in cases of ill health or if you have a lower protected pension age. However, this standard generally applies across the board.

UPCOMING SHIFT IN NMPA

But from the 6 April 2028, the NMPA will rise to 57. Depending on your birth date, this shift could affect you in various ways. If your birthday falls after the 5 April 1973, it's advisable to reassess any pre-existing plans to see whether this change could impact them.

For instance, you might need to factor in an additional couple of years of saving, which could alter the retirement income available to you when the time comes. On the other hand, if you hadn't planned on touching your pension savings until you turned 57, there's no need for any immediate action.

REGULARLY REVIEW Y OUR RETIREMENT PLANS

Although the change is still four years away, regularly reviewing your retirement plans is a beneficial habit to cultivate. This is especially true as you approach the age at which you wish to start withdrawing your pension savings.

BORN BETWEEN 6 APRIL 1971 AND 6 APRIL 1973?

If your birthday falls between these dates, you have two choices. Think carefully about which option best aligns with your circumstances.

ACCESS YOUR PENSION SAVINGS BEFORE THE WINDOW CLOSES

If you'd prefer not to wait until 57 to start withdrawing your pension savings, you'll need to begin accessing your funds after you turn 55 but before 6 April 2028. Accessing your pension savings doesn't necessarily mean withdrawing large or regular amounts. You have the freedom to determine the withdrawal size that suits your needs. However, seeking professional financial advice is crucial if you choose to access your savings during this window.

Also, remember that leaving your pension savings invested for longer could allow them to grow. Furthermore, for most people, withdrawing taxable money from your plan could reduce the amount you can contribute to your plan. This is known as the 'money purchase annual allowance'.

WAIT UNTIL YOU TURN 57

Alternatively, you can choose to wait. If you weren't planning on accessing your pension savings before age 57, there's no need for action. You can access your pension savings from age 57 onwards at a time that suits you. Just remember, if you don't withdraw anything before 6 April 2028, you'll lose the opportunity to access your pension before age 57.

BORN ON OR BEFORE 6 APRIL 1971?

If you were born on or before 6 April 1971, rest easy. The upcoming change won't affect you or your retirement plans, as you'll already be 57 by the time it takes effect.

REVIEW YOUR RETIREMENT DATE

Reviewing your retirement date is crucial if you're on your journey towards retirement but haven't reached the finish line yet. Surprisingly, your plan might still indicate your 55th birthday as the day of retirement, even if current regulations prevent you from accessing your funds at that age. This discrepancy could affect your financial plans, making examining and adjusting your retirement date critical.

It's worth noting that your retirement date isn't rigid. You're free to alter it whenever you feel the need. However, the date you select can significantly impact your pension plan and, subsequently, your financial stability during retirement.

INFLUENCE OF YOUR RETIREMENT DATE ON PENSION INVESTMENTS

If your retirement date is pegged at your 55th birthday, and you don't plan to access your funds until you're 65, there's a clear misalignment between your investment strategy and your actual retirement plans. This discrepancy could affect your pension savings' value when it's time for withdrawal.

A mismatch between your retirement date and actual retirement plans can lead to unplanned financial outcomes. For instance, if your investments shift towards lower-risk areas prematurely due to an inaccurately set retirement date, you may miss out on potential growth in your pension pot's value. Conversely, if your retirement date is later than when you plan to retire, your investments may remain in high-risk areas for too long, exposing your savings to unnecessary market volatility.

WANT TO DISCUSS YOUR RETIREMENT DATE AND ITS IMPACT ON YOUR RETIREMENT PLANS?

The reality is your retirement date matters. It's more than just a day on the calendar; it's a crucial factor affecting your financial future. So, don't let an outdated or inaccurate retirement date throw off your investment strategy and jeopardise your hard-earned savings. Please contact us if you need more information or assistance adjusting your retirement date or understanding its impact on your pension plan.

Jeopardising financial stability

Protecting you and your family's financial future

SECURING YOUR FAMILY'S FINANCIAL FUTURE IS A MULTIFACETED RESPONSIBILITY BEYOND MERELY ACCUMULATING SAVINGS AND MAKING LONG-TERM INVESTMENTS. IT ENCOMPASSES THE CREATION OF A COMPREHENSIVE PLAN THAT ENSURES THE WELLBEING OF YOUR LOVED ONES, EVEN IN THE FACE OF UNEXPECTED ADVERSITIES.

A recent report has revealed that a significant number of UK residents are ill-prepared to meet their monthly expenditure if they were to become incapacitated due to illness or disability[1].

An alarming lack of financial safety provisions exists for circumstances such as sickness, accidents or deteriorating health conditions. The study reveals that eight out of ten homeowners servicing a monthly mortgage do not have income protection insurance.

FINANCIAL OBLIGATIONS

Furthermore, two-thirds lack cover against critical illnesses, thereby jeopardising their financial stability if a long-term illness prevents them from working. Although the statistics for those who have secured their family homes in case of premature death are somewhat reassuring – with 63% having life cover – it is still concerning that many do not have a policy that would replace their income in case of incapacity due to illness or disability.

Statistically, men are approximately six times more likely, and women 12 times more likely, to be unable to work due to illness than they are to die prematurely[2]. This fact underscores the vital importance of income protection insurance. Such a policy provides the comforting assurance of a replacement income through monthly payouts to cover bills and other lifestyle essentials. But, not only homeowners with financial obligations need to maintain a roof over their heads.

OVERLOOKED OR POSTPONED

Tenants, too, must meet their rent payments and can be equally vulnerable without proper insurance cover. Yet, the figures here paint an even more disturbing picture. Less than one-third (29%) of renters have life cover, and a mere 6% have income protection.

Often, the decision to apply for a protection product is spurred by a significant life event like marriage or buying a house. However, as soaring property prices push home purchases later into life, and more individuals opt to cohabit rather than wed[3], discussions about income protection insurance are being overlooked or postponed.

BEYOND JUST LIFE INSURANCE

Given the number of people in the UK already finding it hard to make ends meet, the prospect of a family member losing their income during a cost of living crisis is daunting. The desire to safeguard oneself and one's family financially against tough times is instinctive, but many families leave themselves financially vulnerable. Raising awareness about the benefits of insurance and its potential to bolster people's financial resilience is crucial.

While it's heartening that many homeowners have life insurance, statistically, it's far more likely that someone will need time off work due to illness or injury during their working life than they are to die prematurely. People must realise the importance of having cover beyond just life insurance.

BECOMING INCREASINGLY VIGILANT

Although lenders no longer require life insurance for a mortgage, buying a home remains a significant trigger for purchasing protection insurance. It's a straightforward way to ensure the family home is secured if the primary income earner dies, but we must consider risks beyond just premature death.

As the cost of living continues, families across the UK are becoming increasingly vigilant about their expenses. The need to safeguard their monthly bills is more pressing than ever. Many individuals' greatest sense of security comes from having their income and expenses covered. This comfort often outweighs the reassurance provided by life or mortgage cover. Some people require their

entire mortgage amount to be insured, while others want to ensure their monthly rent and essential bills are taken care of.

MANY POTENTIAL LIFE EVENTS

Critical illness and income protection have become invaluable in an era where many employers fall short of providing adequate sick pay for extended periods of absence from work. These forms of insurance give individuals and families the peace of mind that they can meet their financial obligations even when health issues arise.

Seeking professional financial advice can help individuals tailor their insurance coverage to meet their unique needs. This approach allows families to establish protection that delivers reassurance and safeguards against many potential life events.

STRESS MANAGEMENT AND RECOVERY

Protection insurance isn't just about covering your mortgage. It's about ensuring that your lifestyle and financial commitments are secure, regardless of what life throws at you. From everyday bills to essential living costs, comprehensive protection can make a significant difference during ill health or injury.

Knowing that your bills can still be paid, even in the face of serious illness or injury, provides an immeasurable sense of relief. It's not just about the financial aspect; it's the peace of mind of knowing you're protected during challenging times. This peace of mind can significantly aid stress management and recovery.

REVIEWING PROTECTION POLICIES

As household priorities shift over the years, reviewing protection policies to see if they can better support any life events or job changes is essential. Any changes to work, family planning or relationship status could mean that an existing income protection plan may no longer be fit for purpose.

Many people would not think of this despite being at risk of losing their home if they experienced a financial shock.

HOW CAN YOU SECURE YOUR AND YOUR FAMILY'S FINANCIAL FUTURE?

Please do not hesitate to contact us if you require further information or wish to discuss your protection needs in more detail. Don't leave things to chance. Let us help you secure your financial future.

> CRITICAL ILLNESS AND INCOME PROTECTION HAVE BECOME INVALUABLE IN AN ERA WHERE MANY EMPLOYERS FALL SHORT OF PROVIDING ADEQUATE SICK PAY FOR EXTENDED PERIODS OF ABSENCE FROM WORK.

Source data:

[1] Royal London/Cicero/amo to undertake a nationally representative survey of 3,000 adults in the UK. Fieldwork was conducted in September 2023.

[2] Pacific Life Re, June 2021, based on 30-year-old non-smokers with the retirement age of 65.

[3] ONS data reveals that 'the opposite-sex cohabiting couple' was the fastest-growing family type over the last ten years.

Heightened interest rates increase demand for annuities

What will you do with your hard-earned pension pot at retirement?

AS WE NAVIGATE LIFE'S JOURNEY, RETIREMENT PRESENTS BOTH A DREAM AND A CHALLENGE. IT'S THE STAGE WHERE WE FINALLY ENJOY THE FRUITS OF OUR LABOUR, A TIME FOR RELAXATION, EXPLORATION AND PERSONAL GROWTH. BUT THE QUESTION THAT OFTEN LOOMS IS HOW CAN WE ENSURE A STEADY INCOME STREAM THAT KEEPS PACE WITH OUR ASPIRATIONS AND MAINTAINS OUR LIFESTYLE? ENTER THE WORLD OF ANNUITIES.

Annuities in recent years have often been overlooked in the retirement planning conversation. But current heightened interest rates have increased demand for annuities, offering unparalleled peace of mind, knowing that your basic needs will be covered, irrespective of how the financial markets perform.

SECURING THE BEST POSSIBLE DEAL

They offer a steady, guaranteed income throughout your retirement years or for a specific period. But given the irreversible nature of purchasing an annuity, it's imperative to thoroughly explore your choices, select the most suitable type and secure the best possible deal.

Annuities provide a practical means of converting your accumulated pension savings into a lifelong source of income. Comparing rates across various providers is essential once you determine your required income level. This process, known as the 'open market option', allows you to bypass your provider's offer and potentially secure a higher rate with another provider.

BOOSTING YOUR RETIREMENT INCOME

Shopping around could boost your retirement income by as much as 20%. To put it in perspective, simply by exploring your options, you could increase your retirement earnings by nearly £6,000. Recent analysis reveals that a 66-year-old with a £100,000 pension pot can now purchase an annuity yielding an annual income of £7,000 – an increase of £174 compared to last year[1].

The analysis highlights a striking difference between the best and worst annuities available. For a 66-year-old with a £100,000 pension pot, rates can vary by up to 3.6% – equating to a potential annual income discrepancy of £254 or £5,945 over an average retirement period[2].

MAKING THE RIGHT CHOICE

Securing the right annuity for your needs can seem daunting, given the variety of options available. This one-time, typically irreversible decision is vital, and understanding the different types of annuities can greatly facilitate the process.

When choosing an annuity, you can select a conventional level-income annuity, which ensures consistent payments throughout your life. Alternatively, an increasing annuity starts with a lower initial income, but your payments increase annually in line with inflation or a predetermined rate, such as 3% or 5%. It's

essential to carefully consider the options' costs and benefits to make the most suitable choice.

SELECTING AN ANNUITY

Your marital status is another significant factor in selecting an annuity. If you opt for a single-life annuity, it will only pay out during your lifetime. In contrast, a joint-life annuity provides a full payout to you during your life and, after your death, it typically pays 50% of that amount to your partner until their demise.

Another option worth considering is a guaranteed income period. Under this plan, payments continue until the end of a chosen period (usually five or ten years), even if you pass away prematurely. In such a scenario, the income would be paid to your beneficiaries or estate, offering them financial security.

CERTAIN LIFESTYLE CONDITIONS

An enhanced annuity may be the right option for those with certain lifestyle conditions or medical history. Whether you smoke, are overweight, have type 2 diabetes, or have suffered from cancer, heart disease or other life-threatening conditions, you may be eligible for an enhanced annuity, which results in higher payouts.

The rates are increased to reflect the potential impact of these conditions on your lifespan. Even conditions like excess weight or high blood pressure could qualify you for an enhanced annuity.

WILL YOU ENJOY A GUARANTEED INCOME IN RETIREMENT?

When contemplating the purchase of an annuity, you must receive all necessary professional financial advice and guidance before deciding. We're here to help you navigate these complex decisions and explore your options. If you require further information or assistance, please don't hesitate to contact us.

Source data:

[1] As of 30/9/23, a standard lifetime annuity with a rate of 7% for a single life with a £100k premium, 66 years old, with a 5-year guarantee. Based on a level benefit that is paid monthly in advance.

[2] As of 30/09/2023, Legal & General Retail estimates that an average 66-year-old with a standard level of health will have a life expectancy of 90 years.

Abolishing the Lifetime Allowance for pensions

Gaining a clearer understanding of how the new pension tax framework will work

THE UNITED KINGDOM HAS MADE A SIGNIFICANT POLICY CHANGE FOR THE 2024/25 TAX YEAR THAT WILL PROFOUNDLY IMPACT PENSION SAVERS. FOLLOWING LAST YEAR'S AUTUMN STATEMENT, THE GOVERNMENT ANNOUNCED ITS DECISION TO ABOLISH THE LIFETIME ALLOWANCE (LTA) FOR PENSIONS, WHICH TOOK EFFECT ON 6 APRIL 2024.

THE POLICY CHANGE HAS BEEN DELIVERED IN TWO STAGES

The LTA is the total amount of money you can build up in your pension pot throughout your life without incurring an extra tax charge. For the 2023/24 tax year, the LTA was set at £1,073,1002. This policy change has been delivered in two stages.

The first stage involved removing the LTA tax charge, and the second stage involved completely abolishing the LTA itself. With the abolition of the LTA, new allowances have taken its place from 6 April 2024.

These are the Lump Sum Allowance (LSA) and the Lump Sum and Death Benefit Allowance (LSDBA). The LSA limits the tax-free lump sum that can be taken at retirement, while the LSDBA limits the tax-free lump sum that can be paid on death. Each allowance will apply to each person independently and not per scheme.

DESIGNED TO CONTROL THE TAX-FREE CASH GIVEN TO AN INDIVIDUAL

The LSA, a fixed cumulative limit of £268,275, equivalent to 25% of the previous LTA, is designed to control the tax-free cash given to an individual. This allowance applies to Pension Commencement Lump Sums (PCLS) and the tax-free portion of Uncrystallised Funds Pension Lump Sums (UFPLS). In the past, this tax-free cash was evaluated against the LTA.

An initial plan was to include tax-free segments of trivial commutation, winding-up, and small lump sums within this allowance. However, this idea has been withdrawn due to apprehensions about administrative complications. Despite this, individuals must retain some part of their lump sum allowance to facilitate the payment of trivial and winding-up lump sums.

The LSDBA is set at a fixed cumulative limit of £1,073,100, mirroring the previous LTA. This allowance applies to the tax-free elements of lump sums that can be disbursed during an individual's lifetime or upon death. The allowance encompasses PCLS, tax-free portions of UFPLS, as well as tax-free parts of serious ill-health lump sums and death benefits.

SPECIFIC TO LUMP SUMS AND DO NOT APPLY TO PENSIONS

It's crucial to remember that these newly introduced allowances are specific to lump sums and do not apply to pensions. This marks a notable shift from the former LTA approach, where both crystallised pensions and lump sums were scrutinised. The introduction of "relevant benefit crystallisation events" signifies instances when lump sums tested against these allowances are disbursed. Notably, there will be no evaluations based on age.

Individuals with valid LTA protection and/or lump sum protections for both allowances will maintain their rights to the higher protected amounts. Eligible individuals will have until April 5, 2025, to apply for Fixed Protection 2016 and Individual Protection 2016.

When they are taken, the benefits are tested against the LSA and LSDBA. Any benefits exceeding these allowances will not be tax-free. Instead, they will be subject to tax at the individual's marginal Income Tax rate.

A SIGNIFICANT SHIFT IN THE UK'S PENSION LANDSCAPE

Removing the LTA and its associated tax charge is a significant shift in the UK's pension landscape. It means that savers will not have to worry about exceeding their total pension savings limit. However, introducing the LSA and LSDBA introduces new considerations for pension savers. Benefits must be carefully managed to avoid exceeding these new allowances and incurring a tax charge.

If no benefit crystallisation events (BCEs) occurred between 6 April 2006 and 6 April 2024, the individual's LSA and LSDBA will be the standard LSA and LSDBA. The overseas transfer allowance applies to pension savers who move their pension overseas. If the allowance is exceeded, an overseas transfer charge will apply.

The abolition of the LTA represents a significant change in the UK's pension landscape. While it removes a key constraint for pension savers, introducing new allowances adds complexity. Pension savers must stay informed about these changes and consider how they might impact their retirement planning.

ARE YOU SURE YOU HAVE SUFFICIENT FUNDS FOR A COMFORTABLE RETIREMENT?

Our seasoned pension consultants will explain how to structure your retirement plans optimally and devise a solution for your retirement vision. Please get in touch with us to schedule a complimentary, no-obligation consultation. We look forward to hearing from you.

Protect yourself from pension scams

Understanding the warning signs to keep your money safe

BEING ONLINE MORE MEANS CRIMINALS HAVE A GREATER OPPORTUNITY TO APPROACH UNSUSPECTING VICTIMS WITH THEIR SCAMS. ONLINE SCAMS CAN HAVE A DEVASTATING FINANCIAL AND EMOTIONAL IMPACT ON VICTIMS.

Pension scammers are bombarding the public with scam calls, texts and emails and it can be easy to fall victim to such a scam.

Anyone thinking about making an investment should always do their research first, visit the Financial Conduct Authority's (FCA) website and double check every detail before handing over any money or personal details.

HOW AND WHERE FRAUD CAN OCCUR

One of the best defences is to understand how and where fraud can occur. People should be wary of unexpected contact that comes out of the blue, such as cold calls, letters or emails, and they should be sceptical of unusually high or unrealistic returns. If an offer looks too good to be true, it probably is.

People should also be wary if they come under pressure to quickly withdraw money from a pension or complete a transfer. The best option for people considering transferring a pension or withdrawing money as they retire is to speak to a qualified professional financial adviser.

UNSOLICITED EMAILS, TEXTS, TELEPHONE CALLS

14% (7.6 million) of adults in a recent survey say they have received unsolicited emails, texts or telephone calls from people encouraging them to transfer or release money from their pension[1]. Nearly half (47%, or 25 million) say pension scams are hard to spot, but only a third (32%) say they know how to report a scam.

Currently, 27% (14 million) adults are worried that they may unwittingly fall prey to a pension scam, because scams are sophisticated these days.

HOW TO MINIMISE THE RISK OF PENSION SCAMS

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.

SO WHAT SHOULD YOU DO IF YOU HAVE CONCERNS AND RECEIVE AN UNSOLICITED CONTACT?

- Hang up if you have concerns straight away. If you receive a cold call, the safest thing to do is to hang up, as chances are it's a scam.
- Make sure you're aware of the warning signs. This includes unsolicited approaches by phone, text, email or even at your door.
- Can you call the firm back? If you're forced to make a quick decision this is a sign of a potential scam. Contact details on their website may only be mobile numbers, which is another red flag.
- Understand the salesperson. Check whether the caller, or their firm, are licensed to sell. Check the FCA register of regulated companies, or the FCA warning list.
- Make sure you ask questions. Most scammers don't want you to investigate their 'offers' so be sure to do your own research and look into the company, including their financial statements.
- And remember, if it sounds too good to be true – it probably is. Fraudsters like to offer low-risk investments with a high return.

SPOT THE WARNING SIGNS AND KEEP YOUR PENSION SAFE

If you receive unsolicited cold calls, texts and emails from an individual or firm about your pension they are unlikely to be legitimate. It doesn't matter how financially savvy you are, pension scams can be hard to spot so it pays to obtain professional financial advice from an FCA registered firm. To find out more, please contact us.

Source data:
[1] https://www.lv.com/about-us/press/14m-britons-fear-falling-victim-to-pension-scams