

### Introduction

This guide will help you spot a scam and give you advice on what to do if you are contacted.

Pension scamming – in other words fraudulent or dishonest activity intended to con you out of your pension savings – is an area of fraud which has grown substantially in recent years. The true scale of the amount lost to scams, and the number of victims, is likely to be much higher than reports would suggest as victims often do not realise they have been tricked until many years later. You need to be vigilant to ensure you do not get scammed and to protect the pension benefits you have worked for.

It is important to remember that scams can occur in many other areas of our lives, from dating to finance, and we need to be equally vigilant. This guide focuses on pension scams and it covers:

1. How to spot a scammer
2. What to do if you have been contacted
3. Where to go for further help

### 1. How to spot a scammer

Scammers often seem articulate and knowledgeable so it can be difficult to tell the difference between them and a genuine pensions professional.

Scammers often use enticing words when discussing your pension benefits. They may talk about a 'loan', 'loophole', 'one-off investment' or offer a 'free pension review'.

When offering investment opportunities, they may describe them as being 'environmentally friendly', 'ethical', 'unique', an 'overseas opportunity' or investing in a 'new industry'.

Common methods scammers use to get your attention include:

- **Unsolicited contact**

Scammers will typically get in touch by email, phone or text when you have not asked to be contacted (these will almost always be scams). If you are called and you are unsure, just hang up. **Think very carefully before giving anyone your personal information or money. Don't make any immediate decisions.**

- **Investment opportunities**

Scammers may try to persuade you to transfer your benefits out of your current scheme, with promises of greater monetary returns. If it sounds too good to be true, it almost certainly is. If you have been offered high returns with minimal risk it is likely to be fraudulent.

Scammers may also offer unusual 'opportunities' including unregulated investments in overseas ventures such as property or hotels, renewable energy or vineyards – often trying to entice people to invest their tax-free cash lump sum.

- **'Unlock' your pension early**

There are very few circumstances where you can lawfully take your pension benefits (cash and/or pension) before the age of 55 (depending on the rules of your scheme). You could lose all your money or face a hefty tax charge if you do. While we are not seeing so many of these 'liberation' scams at present, they are still around and you should remain vigilant to this type of scam.

- **Endorsement scams**

Criminals create fake news articles claiming that celebrities are backing new investment schemes. The articles are spread through mass email campaigns, SMS texts, or adverts on social media. They come with a link to websites which encourage victims to invest in the unscrupulous programmes. Although the theme of these attacks is often cryptocurrency, the template can be used to promote any type of fake investment opportunity.

The National Cyber Security Centre began taking action against such websites in April 2020, and by the end of that year it had taken down 286,322 separate campaigns across 731,080 web addresses.

- **Posing as a pensions professional**

Scammers may pose as being from Pension Wise or other government-backed bodies. Remember, these organisations will never text or call to offer a review of your pensions.

## **2. What to do if you have been contacted**

Scammers are typically now using social media and online contact to get in touch. If you have been contacted or are unsure as to whether an adviser or company is a scammer you can help protect yourself by doing the following:

### **Check trusted websites**

Scamsmart, the Financial Conduct Authority website, takes you through an easy step by step guide to help you check any investment or pension opportunity you have been offered. It also provides information on how to avoid a variety of scams including pension, investment and online trading.

The Pensions Advisory Service has an online tool to help you identify a pension scam.

### **Check their credentials**

Scammers may pose as financial advisers. Is the adviser or company you are dealing with authorised to give you advice? Check they are registered with the Financial Conduct Authority (FCA).

- Check on the FCA Financial Services Register
- Call the FCA consumer helpline 0800 111 6768
- More information can be found on the FCA page Contact us
- Also check the FCA Warnings List to identify unauthorised firms

It is important to note that if you do not use a firm which is registered with the FCA, if anything does go wrong, you will not be covered by the Financial Ombudsman Service or the Financial

Services Compensation Scheme. Even if someone you trust recommends an adviser or company to you, still do your homework and check them out.

**If you call the adviser or company back, use the phone number listed on the FCA Register rather than any number you have been provided with.**

### **What to do if you think you have been scammed**

If you have already signed something you are now unsure about, contact your pension provider straight away. For example, they may be able to stop a transfer that has not taken place yet. Then call Action Fraud on 0300 123 2040 to report it.

### **3. Where to go for further help**

Trusted financial companies have processes and tools to help protect you against scams.

- **The Pensions Regulator** is the UK regulator of workplace pension schemes. Some of their important work involves tackling scams. As well as a dedicated page on their website on [pension scams](#), they have also produced a short guide on [How to spot a scam](#).
- **MoneyHelper** provides information on a whole range of scams including, phishing, vishing, investment and pension scams, pharming, smishing and door to door scams to name but a few. Remember scams can come in many different guises, so it is important to know the warning signs to look out for and what to do if you have, or think you have been targeted.

You are encouraged to access and review the valuable advice provided on the above trusted websites to ensure you do not get scammed.

- **Scheme administrators.** Your BAE Systems scheme administrator has robust processes in place to help guard against potential scams. A common area involves pension transfers, for which there are comprehensive processes in place before any transfer of benefits is finalised, with the aim of ensuring the receiving arrangement is genuine. Before processing a transfer, your scheme administrator may contact you directly, rather than your adviser, to ask further questions.

If you are a member with a Defined Benefit pension, if you request a cash equivalent transfer value of your scheme benefits you will also receive from the scheme administrator a '[warning letter](#)'. It contains important information on the points you should consider before making a decision to transfer your benefits and where you should go for impartial guidance.

If you have any questions at any time in relation to your BAE Systems pension scheme benefits do contact your scheme administrator:





Scheme	Contact details
BAE Systems Pension Scheme members (excluding Level 100+ Benefits, 2000 Plan Benefits, Alvis Benefits, SIPS Benefits and DC Retirement Plan):	<b>Email:</b> <a href="mailto:farnborough.pensions@equiniti.com">farnborough.pensions@equiniti.com</a> <b>Tel:</b> 0800 917 9568
BAE Systems Pension Scheme - Level 100+ Benefits, 2000 Plan Benefits, Alvis Benefits, DC Retirement Plan and Royal Ordnance Pension Scheme:	<b>Email:</b> <a href="mailto:fulwood.pensions@equiniti.com">fulwood.pensions@equiniti.com</a> <b>Tel:</b> 0800 917 9568
BAE Systems Pension Scheme – SIPS Benefits:	<b>Email:</b> <a href="mailto:member.enquiries@sips-pensions.co.uk">member.enquiries@sips-pensions.co.uk</a> <b>Tel:</b> 0345 601 0607

We hope that having read this Pension Guide you will feel better able to protect yourself from scams.

Our Pension Guide on [Independent Finance Advice](#), provides you with information on how you can access free financial guidance and what to consider before appointing an independent financial adviser.

### Remember:

**Four simple steps to protect yourself from pension scams:**

-  **Reject unexpected pension offers**
-  **Check who you're dealing with before changing your pension arrangements**
-  **Don't be rushed or pressured into making any decision about your pension**
-  **Consider getting impartial information and advice**

For further information	Web address
Scamsmart:	<a href="https://fca.org.uk/scamsmart">fca.org.uk/scamsmart</a>
Financial Conduct Authority Register:	<a href="https://register.fca.org.uk/">register.fca.org.uk/</a>
Financial Conduct Authority Warnings List:	<a href="https://fca.org.uk/consumers/unauthorised-firms-individuals">fca.org.uk/consumers/unauthorised-firms-individuals</a>
The Pensions Regulator	<a href="https://thepensionsregulator.gov.uk/en/pension-scams">thepensionsregulator.gov.uk/en/pension-scams</a>
MoneyHelper	<a href="https://moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam">moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam</a>