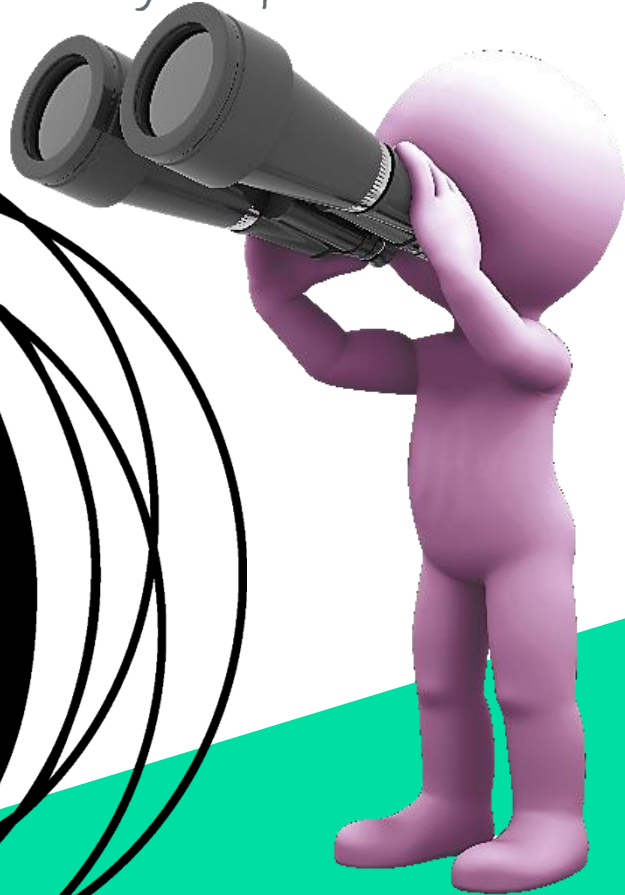


ISLE OF MAN
PENSION MATTERS

Safeguard your future



**How to
spot a
pension
scam**

Don't lose your hard-earned money!

Unregulated investments - Well-known scams include unregulated investment in a hotel, vineyard or other overseas investment opportunities. The investments may be worthless or sometimes they do not even exist, and many people have lost their entire pension through such scams.

Even if the arrangement is not a scam, unusual investments such as overseas property, forestry, care homes or biofuels tend to be unregulated and high risk.

Lack of diversification - Your pension can be at risk if you don't have a diversified portfolio of investments. If your pension is invested in one place or venture and the investment performs badly, you could lose all of your money.

If you are considering transferring your pension or investing some of your pension in unregulated investments, we recommend that you obtain advice from a regulated financial adviser that is unconnected to the person that contacted you. If you speak to the adviser who suggested the transfer or investment, or an adviser who is indicated or referred to you by either the person who initially contacted you or the firm that you are considering investing with, you are unlikely to receive impartial advice.

Limit your risk by investing your pension in a diverse range of investments. **Don't put all your eggs in one basket!**

Glossy websites - Don't place too much reliance on professional looking websites, brochures or other documents, as it is easy for anybody to create credible looking websites or documents. Check that the firm exists and is regulated.

Recommendations from friends - People have fallen for scams by relying on recommendations from friends. Always carry out your own thorough checks and question everything before making a decision or signing anything.

Unregulated Financial Advisers - Pension scammers may recommend a financial adviser, pose as a financial adviser or claim to work with a financial adviser. Only take financial advice from regulated financial advisers and firms; always check the regulator's website.

Cold calls, unsolicited communication and “free pension reviews”

- Pension scams often start with a cold call (where you are contacted out of the blue by a company you have no relationship with) or an unsolicited text or emails. To appear credible, scammers may claim that they are contacting you from government-backed or other official bodies. However, official bodies don't make cold calls or send unsolicited texts and emails to offer a pension review.

Professional pension advice is rarely free and should always be obtained from appropriately regulated financial advisers.

Guaranteed and/ or high returns

- Pension scammers may quote “guaranteed” returns: investment returns can never be wholly guaranteed. They may also promise unusually high returns to tempt you - this can be attractive given the current low interest rate environment.

Pressure to make quick decisions

- Scammers may pressure you into making a quick decision to transfer your pension.

They may say the offer is a “one-off” investment opportunity only available for a limited period or send a courier to your home to deliver or collect documents.

Don't rush into a decision. Make all the checks you need to satisfy yourself that the arrangement is legitimate and suitable for you before you proceed.

Upfront cash, early access and higher lump sums

Scammers may promise cash up front: a “bonus”, “loan”, “cash incentive”, “advance”, “rebate” or “commission”.

Alternatively, they may say you can access your pension savings before the minimum pension age or obtain a higher tax free cash sum.

Accessing pension savings before the minimum pension age or receiving more cash than you are allowed may be illegal and is very likely to give rise to significant tax charges. Scammers may claim to be taking advantage of a “loophole” that simply does not exist.

Remember - If it looks too good to be true, it probably is!

Check the financial adviser is subject to regulation

If the financial adviser is based in the Isle of Man, you can check whether the firm is regulated to provide financial advice by checking the Isle of Man Financial Services Authority website:

www.iomfsa.im/regulatedentitiesregister.

If the financial adviser is based in the United Kingdom, you can check whether they are registered by the UK Financial Conduct Authority at:

www.fca.org.uk/firms/financial-services-register.

If the financial adviser is based elsewhere, you should check with the regulator in that place to see whether and how the financial adviser is regulated.

Remember:

Investors who fall for scams rarely see any of their money back. Therefore, you should be wary of promotions offering guaranteed and/or high returns.

If you have already signed something and you are now concerned that your pension could be at risk, contact the provider of your existing pension arrangement immediately - they may be able to stop a transfer that has not yet taken place.

If you have any doubts, we recommend that you speak to an unconnected, regulated financial adviser.



For further details about safe investing and protecting yourself from investment related scams please refer to the Authority's consumer area of the website:

www.iomfsa.im/consumers/



**ISLE OF MAN
FINANCIAL SERVICES AUTHORITY**

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