Scamproof your savings

Pension scams. Don't get stung.

Pension wise
Your money. Your choice.
Backed by HM Government

ActionFraud
National Fraud & Cyber Crime Reporting Centre

The PENSIONS
Advisory Service

Pension scams: the facts

Pensions are changing. From April 2015, if you are over 55 years old, you can access your pension savings in new ways.

Scammers are after your pension pot. They will try to lure you with promises of one-off investments, pension loans or upfront cash. Most of these are bogus.

If you're under age 55, you cannot release your pension unless you are too ill to work. Read the checklist on the next page to get to know the hallmarks of a scam.

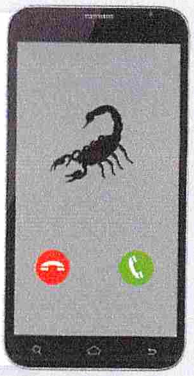
If you're over 55, you can release funds from your pension from April 2015. You may still be at risk from scammers. Make sure you use the government's Pension Wise service to understand your options. You might also want to speak to an adviser who is authorised by the Financial Conduct Authority (FCA) before making any decisions that could affect the rest of your life. See the back of this booklet for useful links and contacts.

By following the tips in this guide, you are giving yourself the best possible protection against scammers. **Arm yourself with the facts and stop a lifetime's savings being lost.**

How to spot the warning signs

Some of the most common tactics used by scammers to trick you out of your savings

A cold call, text message, website pop-up or someone coming to your door offering you a **'free pension review'**, **'one-off investment opportunity'** or **'legal loophole'**

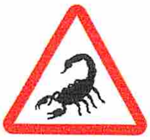


Convincing marketing materials that promise you **returns of over 8%** on your investment

Paperwork delivered to your door by courier that requires immediate signature

Pension access before age **55**

Overseas transfer of the funds



A proposal to put your money in a single investment. **In most circumstances, financial advisers will suggest diversification of assets.**

Scammers don't care whether you're an inexperienced investor or have never put your money anywhere other than a bank. They will try to flatter, tempt and pressure you into transferring your pension fund into an investment with attractive sounding returns. Once you've signed the forms and the transfer has gone through, it's too late. You'll probably lose all your savings and end up with nothing but a hefty tax bill. Remember, the only people who benefit from scams are the scammers themselves.

What can I do with my pension pot?

Under age 55	**Age 55 or older***
✗ You can't release or 'cash in' your pension (unless you are too ill to work)	✓ You can use your pension to buy a regular income for the rest of your life (an 'annuity')
✓ You can transfer your pension from one regulated scheme to another	✓ You can use your pension to provide a flexible retirement income ('flexi-access drawdown')
	✓ You can take your pension as cash in stages
	✓ You can take the whole pot as cash in one go
There may be tax implications for how you access your savings	

*from April 2015

Oliver's story

Tricked into being part of the scam

Age: **45**
Length of time in company pension: **15 years**
Investment offer: **overseas property developments**

Oliver is cold called by someone who says his name is Paul, a financial adviser authorised by the government. He asks if Oliver is interested in making the money in his pension pot work harder – as well as releasing some funds for Oliver to spend as he likes.

Paul says he could get Oliver an initial cash back bonus of 30% of the value of his pension pot, and a much better return on his money – around 8%. All he needs to do is sign a document saying he wants to transfer his pension into another scheme, and the money will then get invested in a hotel complex in an up-and-coming area of Spain.

Paul tells him that if he agrees to be 'locked in' to the investment for 10 years, he will get an annual cash back payment of £1,000. Oliver is keen to make the most of his money – he's heard that he'll be able to do what he wants with his savings when he's 55, so thinks this could be a good solution to beating the current low interest rates that mean his pension pot isn't growing as quickly as he'd like.

Oliver's a bit concerned that it sounds too good to be true, but Paul reassures him. He says he understands there are lots of crooks out there but he's government registered. He promises to send Oliver some marketing material and encourages him to check out the website. He tells Oliver that there are only a few opportunities left and that it's a time-limited offer, so if he wants to make the most of it, he should act quickly.

The next day, Oliver gets a glossy brochure through his door – he has a read through and it looks very slick and professional. The website also seems completely legitimate. Oliver likes to think he's an intelligent person, and Paul seems very nice and credible. In fact, Paul calls back that afternoon, and Oliver decides that you only live once – why not go for it? You have to speculate to accumulate.

Within a couple of hours, a courier comes round with some papers to sign. Oliver has a quick look through them and is surprised to see that the documents say he is now a company director and trustee of his pension scheme. He doesn't remember Paul saying anything about making him a company director, but the courier can't give him any more information and Oliver keeps thinking of the time-limited offer. So he signs on the dotted line.

Later that year, Oliver decides to call up and check on how his investment's doing. The line is disconnected, so he searches online and finds out that some pension transfer offers are scams. After several more months of trying to locate Paul and the missing money, Oliver calls the police and comes to realise that he has probably lost his whole pension pot. By signing the papers and becoming a company director, he has taken on new legal duties with Companies House and HMRC that he didn't know about. This leads to HMRC fining him for tax-related offences. Not only has Oliver lost 15 years' worth of savings – he's also having to pay thousands of pounds in fines to the authorities.

What should Oliver have spotted?

- Cold call
- Claims of adviser being authorised by government – but not registered with the FCA
- Promises of cash back under the age of 55
- Unrealistic returns of at least 8%
- Promises of higher returns if he agrees to being 'locked in' to a single investment for a number of years
- Being rushed into signing couriered documents with promises of a time-limited offer
- Documents naming him as company director and trustee of the pension scheme

How to scamproof yourself

- Stop. Think about it. A genuine adviser will never rush you into a decision
- Make sure the adviser is registered by the Financial Conduct Authority at **www.fca.org.uk/register**
- Look at the FCA's Scamsmart warning list at **www.fca.org.uk/scamsmart** – this will tell you the names of investment schemes that are known scams
- If you are approaching 55 or about to retire, Pension Wise can tell you more about what you can do with your retirement pot. Visit the website at **www.pensionwise.gov.uk**
- Before you sign anything, call The Pensions Advisory Service on 0300 123 1047 for information and advice about pension scams
- If you've already signed the papers, report it to Action Fraud at **www.actionfraud.police.uk** or call 0300 123 2040

If you take financial advice by someone registered with the FCA, you may be able to claim compensation if something goes wrong. If the adviser isn't registered, you risk losing everything.

Information and guidance on options when approaching retirement:

Pension wise
Your money. Your choice.
Backed by HM Government

www.pensionwise.gov.uk

Impartial information and guidance on scams:

The PENSIONS Advisory Service
0300 123 1047
www.pensionsadvisoryservice.org.uk

If you suspect a scam, call:

ActionFraud
National Fraud & Cyber Crime Reporting Centre
0300 123 2040

A cross-government initiative by:

ActionFraud National Fraud & Cyber Crime Reporting Centre
City of London Police
FCA Financial Conduct Authority
HM Revenue & Customs
the Money Advice Service
NCA National Crime Agency
SFO serious fraud office
The Pensions Advisory Service
The Pensions Regulator

Pension scams
Help for individuals

Pension Practioner
Daws House
33-35 Daws Lane
London
NW7 4SD

PO Box 434
Westgate House
52, Westgate
Chichester PO19 3ZU
Tel: 0870 850 0712
Fax: 0121 644 3791
firstpensions@mercer.com

14 July 2015

Dear Sirs

Subject: First UK Bus Pension Scheme
Our reference: Transfer out of benefits - FBP101268
Your reference: Mr G L Green

We note that you are acting on behalf of Mr Green and we have received his written authority to provide you with the information you will need to advise him about his options.

This information is contained on the enclosed transfer-out member statement. Please note that the transfer value is guaranteed until 13 October 2015. If Mr Green does not return the completed 'application to proceed with transfer of benefits' by 13 October 2015 the right to this guaranteed amount will be lost and the transfer will not proceed. Mr Green will not then be able to apply for a further guaranteed transfer value until 26 February 2016.

Please also ensure that the member is given a copy of the 'important notice' attached to this letter.

Please ensure that the member is aware that if they have a right to Enhanced or Fixed Protection they may lose this right if the transfer proceeds.

The Pensions Regulator has published material for pension scheme members to alert them to the dangers of 'pension scams', which can occur if a member transfers their benefits to a new pension arrangement that offers the member early access to their pension savings.

As requested by the Pensions Regulator, we have enclosed a leaflet that explains to members the dangers of transferring to such an arrangement. Please note that this is **not** intended to suggest that you or the proposed receiving arrangement are in any way involved in any type of pension scam – the Regulator has requested that we include their leaflet with **all** transfer out statements.

Please forward the enclosed leaflet on to Mr Green and advise them that further information from the Regulator on this area is available from the Pensions Advisory Service's website at: http://www.pensionsadvisoryservice.org.uk

This statement is based on the information currently held by the administrator of the scheme and is produced for information only. It is not proof of entitlement and confers no right to benefits. All benefits must be calculated and paid only in accordance with the trust deed and rules of the scheme and UK and European law, and are therefore subject to review before payment.

Before we can proceed with the transfer we will require the return of all documentation and information, as quoted on the 'Transfer Checklist' by the guarantee date including the following:

- The enclosed 'application to proceed with transfer of benefits'. You will need to insert the full name of the receiving buy out policy or personal pension scheme. The application must be signed by Mr Green.

- The enclosed section 32 buy-out policy transfer declaration form or personal pension scheme transfer declaration form, signed by the insurer or provider as appropriate.

Any proposal form which must be signed by the trustees or administrator of the transferring scheme.

If the transfer is to a personal pension scheme, stakeholder pension scheme or other individual arrangement, please would you also

- confirm that the transfer will be made on your agency; and
- advise us of your FCA firm reference number.

If the transfer cannot be accepted, please inform us immediately so that the member may pursue further options.

Please note:

Mercer Limited is providing this transfer information purely in accordance with its duty as administrator of the pension scheme, and does not profess to offer any advice in respect of the member's personal circumstances.

Yours faithfully

Joanne Lyte (Mrs)
for Mercer Limited, administrator acting on behalf of the trustees of First UK Bus Pension Scheme.

First UK Bus Pension Scheme
Important Notice for all members wishing to transfer

There are significant changes in the way scheme members may take their money purchase or defined contribution benefits (also known as flexible benefits) since 6 April 2015. If you wish to transfer out of a defined benefit arrangement to an arrangement that can provide you with flexible benefits and the transfer value of your defined benefits (also known as safeguarded benefits) under the scheme is more than £30,000, the trustees of the scheme are required to check that you have received appropriate independent advice before the trustees are able to complete the transfer of any of your safeguarded benefits under the scheme to an arrangement that can provide you with flexible benefits.

Unless you confirm to the trustees otherwise, the trustees will assume that any request to transfer any of your safeguarded benefits under the scheme will be for the purposes of providing flexible benefits under another arrangement.

You are required to take appropriate independent advice from an authorised independent adviser who is authorised by the Financial Conduct Authority (FCA) to provide advice on conversions or transfers of safeguarded benefits to provide flexible benefits. The adviser must provide written confirmation to the trustees of the scheme:

- That they have provided you with specific advice in connection with the transfer of your safeguarded benefits under the scheme
- That they have permission under part 4A of the Financial Services and Markets Act 2000, or resulting from any other provision of that Act, to carry on the regulated activity in Article 53E of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001
- Of the adviser's FCA firm reference number
- Of your name and the name of the scheme in which you have safeguarded benefits and in respect of which the advice has been provided

This should be forwarded to us with your application to proceed and must be received no later than

Unless the transfer value of your safeguarded benefits under the scheme is no more than £30,000, or you confirm to the trustees that a transfer of any of your safeguarded benefits under the scheme is not for the purpose of providing flexible benefits under another arrangement, the trustees will check the Financial Services Register to confirm that your adviser has permission to carry out the regulated activity specified in Article 53E of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

Where the trustees are unable to confirm that your adviser does have the required permission, they will not be able to comply with your request to transfer any of your safeguarded benefits under the scheme to secure flexible benefits in another arrangement.

The enclosed "Important Risk Warnings" document should be forwarded to the member who should read it before they decide to transfer to an arrangement offering flexible benefits

The member can also obtain free independent guidance on flexible benefits from Pension Wise and we enclose their flyer for more information. Please also forward this to the member.

The trustees are not able to advise members who want to take a transfer from the scheme. Even if you are not transferring any safeguarded benefits to an arrangement that can provide flexible benefits, the trustees recommend that you take financial advice to help you consider carefully the possible merits and risks associated with taking a transfer value, compared with retaining a deferred benefit entitlement from the scheme. Some of the aspects to consider: -

- Compare the benefits expected from the arrangement to which you are planning to take the transfer value, with your entitlement in the scheme. If the receiving arrangement is money purchase (that is, the ultimate benefit depends entirely on investment returns on the underlying funds) the comparison will be difficult, since the benefits payable cannot normally be predicted with any certainty.

  Since 6 April 2005 members of schemes like the First UK Bus Pension Scheme may have greater security in some circumstances where the scheme's assets would otherwise not be able to provide the members' entitlements in full. This is because, in addition to requiring the sponsoring company to make additional contributions in certain circumstances, the Government has introduced a "Pension Protection Fund". This is a statutory fund run by the Board of the Pension Protection Fund, which may provide some compensation for members if the sponsoring company is not able to contribute more.

- Other organisations such as the Financial Conduct Authority, the Pensions Regulator and the Pensions Advisory Service also provide general information about transfers which may help you to decide whether or not to transfer your benefits. Please note, however, that these organisations cannot give you specific advice on whether or not to transfer your benefits – only a financial adviser can do that. If you cannot decide what to do, you should seek advice from an Independent financial adviser. You can find an IFA in your area from the 'Find an IFA' search on www.unbiased.co.uk, which also provides further information.

Transfer values are calculated using a method and bases determined by the trustees, after taking advice from the scheme actuary, to be consistent with legislation and the rules of the scheme. The method and/or basis may therefore be revised from time to time, to reflect changes in legislative and financial conditions.

Mercer is providing you with this transfer information purely in accordance with its duty as administrator of the pension scheme, and does not profess to offer any advice in respect of your personal circumstances.

Important Risk Warnings

The following risk warnings have been produced by the Pensions Regulator, the regulator for occupational pension schemes, for you to read before making any decision over what to do with your pension benefits. Some of these options may not be available through your pension scheme, but may be possible following a transfer of your pension benefits elsewhere. You will be asked to confirm that you have read these risk warnings as part of your decision on how to take your pension benefits.

1. Using your pension to buy a guaranteed income for life (annuity)

People who have a medical condition, are in poor health, smoke or are overweight, may be able to get a significantly higher income through taking an 'enhanced annuity'. These people should consider opting into health and lifestyle questions - and it's important to answer these questions honestly.

People considering this option should think about whether to provide an income for a partner or another dependant on death and therefore whether to purchase a single life or joint life annuity. Compare what, if anything, we offer to spouses or dependants against what's offered by another scheme or provider.

'Level' annuities provide a higher income to start with than annuities that increase but the payments will then stay the same for life. This means that the purchasing power of the annuity income will reduce over time, due to inflation.

You don't have to take any annuity or other pension we may offer – and different providers might pay a higher income. So it's important to shop around. Remember that annuity purchases are a lifetime commitment, so there's no rush to make a final decision.

2. Using your pension to provide a flexible retirement income ('flexi-access drawdown')

As with every investment, there's the risk that the value of a pension pot can go up and down.

People considering this option should think about how much they take out every year and how long their money needs to last. If too much money is taken too quickly, the available retirement income could fall drastically or even run out, especially if stock markets fall.

Charges can reduce the money received. Check whether there are any charges or other reductions to a pension pot when a lump sum is withdrawn. Providers and schemes may also make ongoing charges on any undrawn money, so it's important to consider the impact of these charges. And if you plan to take the cash to invest somewhere else, check what the charges are before you cash in your pension.

Different schemes and providers offer different types of flexible retirement income. Check what kind of drawdown is being offered. Some might have products where part of your income is guaranteed but charges and conditions will apply. People considering a flexible retirement income should consider shopping around – an FCA-regulated financial adviser will be able to help with this.

3. Take your pension as cash in stages

In most cases, 25% of each amount withdrawn is not liable for tax but the rest will be taxed as income. People considering this option should consider their own personal tax circumstances, and the impact of taking a taxable lump sum on the tax they pay – including the possibility that they may have to pay a higher rate of tax than normal depending on the amount withdrawn.

As with every investment, there's the risk that the value of a pension pot can go up and down. People considering this option should think about how much they take out every year and how long their money needs to last.

Charges can reduce the money received. Check whether there are any charges or other reductions to the pension pot when a lump sum is withdrawn. Charges will continue to be taken from any money left in the pension pot, so it's important to consider the impact of these charges. And if you plan to take the cash to invest somewhere else, check what the charges are before you cash in your pension.

Taking cash withdrawals may have implications for people with debt or who may be entitled to means-tested benefits. People who are concerned about this aspect can contact Pension Wise, the Citizens Advice Bureau or the Money Advice Service.

4. Take your whole pot as cash in one go

On average, people aged 55 today will live to their mid-to-late 80s. It's important not to underestimate your own life expectancy. People considering this option should think about how to use the money to provide an income throughout retirement.

There will be tax implications if an entire pension pot is taken as cash in one go. These will depend on an individual's personal circumstances. In most cases there will be a tax-free amount available (normally 25%).

People considering this option should consider their own personal tax circumstances, and the impact of taking a taxable lump sum on the tax they pay, including the possibility that they may have to pay a higher rate of tax than normal.

Some providers and schemes may have charges for taking a pension pot as cash, so check this before committing. And if you plan to take the cash to invest somewhere else, check what the charges are before you cash in your pension.

Taking cash withdrawals may have implications for people with debt or who may be entitled to means-tested benefits. People who are concerned about this aspect can contact Pension Wise, the Citizens Advice Bureau or the Money Advice Service.

5. Pension scams

If you are taking a cash lump sum from your pension to invest somewhere else, or plan to take income drawdown, be aware that scammers may operate in these markets. You can find out more about how to identify scams here:
www.pensionsadvisoryservice.org.uk/publications-files/uploads/members_detailed_booklet_7_page.pdf

Transfer out member statement

Scheme name	: First UK Bus Pension Scheme	Date	: 14 July 2015
Member name	: Mr G L Green	NI number	: NR483039C
Our reference	: FBP101268		

Transfer value information

Total current transfer value offered: £13,254.56

Full Transfer Value: £15,062.00

- The "full" transfer value is the amount the trustees would have paid if the scheme had sufficient assets. The transfer value quoted to you is £1,807.44 less than the full amount because the scheme does not have enough assets to pay full transfer values to all members. The trustees have decided to reduce transfer values because, if they paid full transfer values, the share of assets available to members who remain in the scheme would be reduced. The trustees are allowed to do this under paragraph 2 of Schedule 1A to the Occupational Pension Schemes (Transfer Values) Regulations 1996 (SI 1996/1847).

- The trustees will review the level of reduction from time to time. The Company is making additional contributions to the scheme, so the reduction should get smaller gradually over time. If the trustees' assumptions about the future are borne out in practice, it is estimated that full transfer values might be available by . This date will be reviewed from time to time.

Transfer value breakdown

Value of guaranteed minimum pension (GMP):	£1,324.40
Value of non-GMP arising from pensionable service up to 5 April 1997	£907.28
Value of benefits arising from contracted-out service from 1 October 2001 (excluding any AVCs)	£11,022.88

(This amount must be used to provide:

- benefits in the same form as those payable under the receiving scheme, if the transfer is to a contracted-out occupational scheme

- benefits which increase in payment at the rate of 5.00% per year or the rise in the consumer prices index if less if transferred to an occupational scheme to provide defined benefits.)

Transfer value guarantee

The transfer value has been calculated using a method and basis determined by the trustees, after taking advice from the scheme actuary. It is guaranteed until 13 October 2015. If the member wishes to take the guaranteed amount, his written application to transfer must be received by Mercer Limited by that date.

The member's right to take the guaranteed amount will be lost (and the transfer will not be able to proceed) if Mercer Limited does not receive his written application to transfer, correctly completed and signed, by 13 October 2015. The member will not then be able to apply for a further guaranteed transfer value until 26 February 2016.

In exceptional circumstances, the transfer value could be reduced before the guarantee expires. The member will be notified if this occurs.

NOTE:

There are significant changes in the way scheme members may take their money purchase or (defined contribution) benefits (also known as flexible benefits) since 6 April 2015. If you wish to transfer out of a defined benefit arrangement to an arrangement that can provide you with flexible benefits and the transfer value of your defined benefits (also known as safeguarded benefits) under the scheme is more than £30,000, the trustees of the scheme are required to check that you have received appropriate independent advice before the trustees are able to complete the transfer of any of your safeguarded benefits under the scheme to an arrangement that can provide you with flexible benefits.

Unless you confirm to the trustees otherwise, the trustees will assume that any request to transfer any of your safeguarded benefits under the scheme will be for the purposes of providing flexible benefits under another arrangement.

You are required to take appropriate independent advice from an authorised independent adviser who is authorised by the Financial Conduct Authority (FCA) to provide advice on conversions or transfers of safeguarded benefits to provide flexible benefits. The adviser must provide written confirmation to the trustees of the scheme:

- That they have provided you with specific advice in connection with the transfer of your safeguarded benefits under the scheme
- That they have permission under part 4A of the Financial Services and Markets Act 2000, or resulting from any other provision of that Act, to carry on the regulated activity in Article 53E of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001
- Of the adviser's FCA firm reference number
- Of your name and the name of the scheme in which you have safeguarded benefits and in respect of which the advice has been provided

This should be forwarded to us with your application to proceed and must be received no later than 14 July 2015

Unless the transfer value of your safeguarded benefits under the scheme is no more than £30,000, or you confirm to the trustees that a transfer of any of your safeguarded benefits under the scheme is not for the purpose of providing flexible benefits under another arrangement, the trustees will check the Financial Services Register to confirm that your adviser has permission to carry out the regulated activity specified in Article 53E of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

Where the trustees are unable to confirm that your adviser does have the required permission, they will not be able to comply with your request to transfer any of your safeguarded benefits under the scheme to secure flexible benefits in another arrangement.

The enclosed "Important Risk Warnings" document should be read before you decide to transfer to an arrangement offering flexible benefits.

You can also obtain free independent guidance on flexible benefits from Pension Wise and we enclose their flyer for more information. You can also contact Pension Wise to book a phone or face to face appointment on 030 0330 1001.

The trustees are not able to advise members who want to take a transfer from the scheme. Even if you are not transferring any defined benefits to an arrangement that can provide flexible benefits, the trustees recommend that you take financial advice to help you consider carefully the possible merits and risks associated with taking a transfer value, compared with retaining a deferred benefit entitlement from the scheme. Some of the aspects to consider:-

- Compare the benefits expected from the arrangement to which you are planning to take the transfer value, with your entitlement in the scheme. If the receiving arrangement is money-purchase (that is, the ultimate benefit depends entirely on investment returns on the underlying funds) the comparison will be difficult, since the benefits payable cannot normally be predicted with any certainty.

- Since 6 April 2005 members of schemes like the First UK Bus Pension Scheme may have greater security in some circumstances where the scheme's assets would otherwise not be able to provide the members' entitlements in full. This is because, in addition to requiring the sponsoring company to make additional contributions in certain circumstances, the Government has introduced a "Pension Protection Fund". This is a statutory fund run by the Board of the Pension Protection Fund, which may provide some compensation for members if the sponsoring company is not able to contribute more.

  Members of the First UK Bus Pension Scheme would be entitled to receive compensation from the Pension Protection Fund in the appropriate circumstances.

  Other organisations such as the Financial Conduct Authority, the Pensions Regulator and the Pensions Advisory Service also provide general information about transfers which may help you to decide whether or not to transfer your benefits. Please note, however, that these organisations cannot give you specific advice on whether or not to transfer your benefits – only a financial adviser can do that. If you cannot decide what to do, you should seek advice from an Independent financial adviser. You can find an IFA in your area from the find an IFA' search on www.unbiased.co.uk, which also provides further information.

- Transfer values are calculated using a method and basis determined by the trustees, after taking advice from the scheme actuary, to be consistent with legislation and the rules of the scheme. The method and/or basis may therefore be revised from time to time, to reflect changes in legislative and financial conditions.

- If you have a right to:

  a) take your retirement benefits before the normal minimum pension age for HM Revenue & Customs purposes; or

  b) take a cash sum of more than 25% of the value of your benefits accrued before 6 April 2006; or

  c) enhanced or fixed protection

  this/these rights may be lost if you transfer your benefits from this scheme. If you are unsure whether you have a right to a) or b) above please contact the trustees at the address provided. If you have a right to enhanced or fixed protection, HMRC will have given you a certificate detailing this right and you should provide a copy of this to the trustees.

This statement is based on the information currently held by the administrator of the scheme and is produced for information only. It is not proof of entitlement and confers no right to benefits. All benefits must be calculated and paid only in accordance with the trust deed and rules of the scheme and UK and European law, and are therefore subject to review before payment.

Important Risk Warnings

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You will be asked to confirm that you have read these risk warnings as part of your decision on how to take your pension benefits.

1. Using your pension to buy a guaranteed income for life (annuity)

People who have a medical condition, are in poor health, smoke or are overweight, may be able to get a significantly higher income through taking an 'enhanced annuity'. These people should consider opting into health and lifestyle questions - and it's important to answer these questions honestly.

People considering this option should think about whether to provide an income for a partner or another dependant on death and therefore whether to purchase a single life or joint life annuity. Compare what, if anything, we offer to spouses or dependants against what's offered by another scheme or provider.

'Level' annuities provide a higher income to start with than annuities that increase but the payments will then stay the same for life. This means that the purchasing power of the annuity income will reduce over time, due to inflation.

You don't have to take any annuity or other pension we may offer – and different providers might pay a higher income. So it's important to shop around. Remember that annuity purchases are a lifetime commitment, so there's no rush to make a final decision.

2. Using your pension to provide a flexible retirement income ('flexi-access drawdown')

As with every investment, there's the risk that the value of a pension pot can go up and down.
People considering this option should think about how much they take out every year and how long their money needs to last. If too much money is taken too quickly, the available retirement income could fall drastically or even run out, especially if stock markets fall.

Charges can reduce the money received. Check whether there are any charges or other reductions to a pension pot when a lump sum is withdrawn. Providers and schemes may also make ongoing charges on any undrawn money, so it's important to consider the impact of these charges. And if you plan to take the cash to invest somewhere else, check what the charges are before you cash in your pension.

Different schemes and providers offer different types of flexible retirement income. Check what kind of drawdown is being offered. Some might have products where part of your income is guaranteed but charges and conditions will apply. People considering a flexible retirement income should consider shopping around – an FCA-regulated financial adviser will be able to help with this.

3. Take your pension as cash in stages

In most cases, 25% of each amount withdrawn is not liable for tax but the rest will be taxed as income. People considering this option should consider their own personal tax circumstances, and the impact of taking a taxable lump sum on the tax they pay – including the possibility that they may have to pay a higher rate of tax than normal depending on the amount withdrawn.

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Taking cash withdrawals may have implications for people with debt or who may be entitled to means-tested benefits. People who are concerned about this aspect can contact Pension Wise, the Citizens Advice Bureau or the Money Advice Service.

4. Take your whole pot as cash in one go

On average, people aged 55 today will live to their mid-to-late 80s. It's important not to underestimate your own life expectancy. People considering this option should think about how to use the money to provide an income throughout retirement.

There will be tax implications if an entire pension pot is taken as cash in one go. These will depend on an individual's personal circumstances. In most cases there will be a tax-free amount available (normally 25%).

People considering this option should consider their own personal tax circumstances, and the impact of taking a taxable lump sum on the tax they pay, including the possibility that they may have to pay a higher rate of tax than normal.

Some providers and schemes may have charges for taking a pension pot as cash, so check this before committing. And if you plan to take the cash to invest somewhere else, check what the charges are before you cash in your pension.

Taking cash withdrawals may have implications for people with debt or who may be entitled to means-tested benefits. People who are concerned about this aspect can contact Pension Wise, the Citizens Advice Bureau or the Money Advice Service.

5. Pension scams

If you are taking a cash lump sum from your pension to invest somewhere else, or plan to take income drawdown, be aware that scammers may operate in these markets. You can find out more about how to identify scams here:

www.pensionsadvisoryservice.org.uk/publications-files/uploads/members_detailed_booklet_7_page.pdf

Member details

Date of birth	: 10 December 1968
Age admitted	: No
National Insurance number	: NR483039C
Date of joining company	: 26 March 2001
Date of joining scheme	: 1 October 2001
Date left scheme	: 3 January 2003
Date left company	: 3 January 2003
Normal pension age	: 65
Marital/Registered Civil Partnership status recorded	: Single
Sex	: Male

Pension scheme details

The scheme is a registered pension scheme under section 153 of the Finance Act 2004

HMRC ref:	00591944RZ	SCON: S8520238F
Original contracting-out start date:	1 October 2001	ECON: E3807391D
Member's total contributions:	£638.18	

GMP per week at 3 January 2003

Current scheme:	£1.00 total (£1.00 post 5 April 1988)
Revaluation type	Fixed 6.25%

Alternative preserved benefits

Scale entitlement at date of leaving

Basic pension preserved in the scheme at date of leaving	£735.71 a year
Spouse's pension on death before retirement	£367.86 a year

The member's basic pension at the date of leaving consists of the following amounts:

Period of service	GMP	Non-GMP
01/07/1996 to 05/04/1997	£52.00	£52.00
06/04/1997 to 03/01/2003		£631.71

Benefits payable from normal pension age, ie 65 - revaluation to be applied

The basic pension shown above will be increased over the period from the member's date of leaving to 65.

- The GMP will be increased for each complete tax year between the member's date of leaving and age 65 at the rate shown under 'Pension scheme details' above.
- The benefits in excess of GMP will increase at 5.00% per year compound, over the period (measured in complete years) between the member's date of leaving and age 65.

The Spouse's pension on death before retirement

If the member dies before retirement, a pension as described in the scheme booklet will be paid to his spouse.

Spouse's Pension on death after retirement

If the member dies after retirement, a pension as described in the scheme booklet will be paid to his spouse..

Pension increases

That part of the member's guaranteed minimum pension based on service after 5 April 1988 increases at 3.00% per year in payment.

The pension in excess of the guaranteed minimum pension increases at 5.00% per year, or by the rise in the consumer prices index if less.

Application to proceed with transfer of benefits

To: The trustees of: The First UK Bus Pension Scheme
Scheme name :
Name : G L Green NI number : NR483039C

1. Please delete one of the statements below as applicable:

I wish to transfer the value of all my benefits to ________________________________
____ (the receiving arrangement) as an alternative to leaving those benefits, including any statutory right I may have to a guaranteed cash equivalent in the pension scheme.

I wish to transfer the value of my defined benefits (also known as safeguarded benefits) / money purchase benefits (also known as flexible benefits) (*delete as appropriate*) to
____
____ (the receiving arrangement) as an alternative to leaving those benefits, including, where appropriate, any statutory right I may have to a guaranteed cash equivalent in the pension scheme.

2. Please apply the transfer value of my benefits in the pension scheme to secure benefits in respect of me in the receiving arrangement. I acknowledge that on receipt of this form duly signed and dated the trustees will be discharged from all liability to provide any benefits for or in respect of my membership of the pension scheme to the extent that I have instructed the trustees to transfer the value of those benefits.

3. I understand that the benefits eventually payable from the receiving arrangement may be more or less than the benefits that would have been payable in respect of me in the pension scheme.

4. I acknowledge that the trustees will not be responsible for the amount or type of benefits to be provided by the receiving arrangement in return for the above transfer value.

5. Where the transfer includes a transfer of GMP and / or section 9 (2B) rights to a contracted in occupational pension scheme or to a personal pension scheme, I confirm that:

   - I have received a statement from the receiving arrangement showing the benefits to be awarded in respect of the transfer payment, and

   - I accept that the benefits to be provided by the receiving arrangement may be in a different form and of a different amount to those which would have been payable by and that there is no statutory requirement on the receiving arrangement to provide survivor's benefits out of the transfer payment.

6. I confirm that I have read and understood the Important Risk Warnings that were enclosed with my transfer statement

7. I confirm that, where the receiving arrangement is an occupational pension scheme, I am employed by an employer that participates in the receiving arrangement and that I have received earnings from that employer.

Signed: ______________________________ Date ____________________________

Full name: ____

[IN BLOCK CAPITALS PLEASE]

Note

The transfer value in respect of your benefits in the pension scheme is calculated using methods and bases determined by the trustees, after taking advice from the scheme actuary. It is guaranteed for three months from 14 July 2015. The right to this guaranteed amount is lost once three months has expired. It will not then be possible to apply for another guaranteed transfer value until 26 February 2016.