

Coronavirus (COVID-19) and the impact on your pension

We understand you might have questions or concerns about the Coronavirus (COVID-19) pandemic and the effect it could have on your finances; so we've put together some useful information and important factors you should consider to support you at this time.

Stay calm and don't rush important financial decisions

The COVID-19 pandemic has caused some big moves in financial markets and you may have seen a significant fall in the value of your pension pot during this period of global economic uncertainty. Whilst there may be further falls in markets, short-term unpredictability doesn't necessarily mean a permanently smaller pension pot.

During this unprecedented time, try to keep in mind your long-term retirement goals. Making a rushed decision based on short-term events and circumstances could have long-term consequences on your financial wellbeing and retirement income.

There are some important factors you should consider before you make a decision on what to do with your pension pot:

- If you access your pension pot when the markets are down, you will likely suffer a loss in the value of your investments and could miss out on any increases in value if markets recover.
- If you need or want to cash in your pension pot, you could lose out significantly in the longer term. So, you might want to check if it's possible to only cash in what you need now.
- If you need money in the short to medium term and have savings that could be used instead, you might want to consider taking some money from those alternative sources, if that still leaves money in rainy day funds, rather than to realise losses in your pension pot.
- If your pension plan includes life cover, you should consider the implications of cancelling it or stopping ongoing premiums in light of the current additional health risks. For example, life cover might be difficult to replace or cost more than the life cover provided by your current plan.
- If you make regular contributions into your pension plan, you might wish to consider continuing to make those contributions. You may be able to invest at lower prices than before the market downturn.
- If you're considering transferring your pension pot to an alternative provider at this time, please remember there may be exit penalties or charges applicable.
- If you're considering switching to lower risk funds to protect the value of your pension pot, keep in mind this could lead to the investment being sold at a loss; and you could also miss out on potential future increases in value if the markets recover. However, if you're planning on accessing your pot soon, being in higher risk funds could leave your pot more susceptible to market movements.
- If you are invested in the With Profits Fund and decide to take your money out, we may apply an adjustment to the value we pay. The amount you receive would be based on your fair share of the fund but this may mean you get back less than you expect. You can find more information about with profits at legalandgeneral.com/with-profits/guides

We recommend you get financial advice before making any decisions about what to do with your pension pot.

It is important to remember that past performance is not a reliable indicator of future results, and the value of your pension pot can go down as well as up.

Be aware of scams or fraudsters

The current situation has led to an increased risk of scams and fraud. Scams are often smart, sophisticated and hard to spot.

- Scams usually start with someone getting in touch out of the blue. Be wary of any unexpected offers of advice made over the phone, online or through social media.
- Don't click links or open emails unless you're confident the email is really from a sender you know or trust.

- If it sounds too good to be true, it probably is. Stay sceptical.
- Scammers often try to put pressure on you to make quick decisions. Always take your time to check things out before going ahead.
- Always check who you are dealing with before changing any arrangements – you can use the Financial Conduct Authority (FCA) Register at fca.org.uk/register or call them on **0800 111 6768** to see if who you're dealing with is authorised.
- We'll never ask you to move money to a 'safe' account, so if someone contacts you asking you to do this, it's a scam.
- Scammers take advantage of current events to steal, so check a trusted source, like the Money Advice Service, regularly to stay a step ahead of the latest scams. Right now, look out for people and organisations you don't know asking for contributions towards COVID-19 relief.

You can find out more about how fraudsters are taking advantage of coronavirus to scam people on the Government's website gov.uk/government/news/be-vigilant-against-coronavirus-scams and Financial Conduct Authority's specialist web page fca.org.uk/coronavirus-support

If you're uncertain, we recommend you get professional financial advice or guidance

If you're not sure about what's best for your savings, investments and pensions, at this time in particular, it might be a good idea to consult a professional financial adviser before making any decisions. You can find one in your local area at unbiased.co.uk or by calling **0800 023 6868**.

The Government has announced a range of measures to offer support to people during the COVID-19 pandemic. You may wish to investigate whether you are eligible for this support before withdrawing money from your pension. Go to gov.uk/coronavirus for more information.

The **Money Advice Service** provides impartial advice and guidance about all issues to do with money, for all ages. They also have a tool to help you locate free debt advice. The financial support available in the current circumstances is explained on their website moneyadviceservice.org.uk or you can call them on **0800 138 7777**.

For free and impartial pension guidance for customers age 50 and over, it might also be helpful to contact **Pension Wise** at pensionwise.gov.uk or you can call them on **0800 138 3944** to book an appointment.

An update on our services

We're following government guidance to protect our employees and customers from the spread of COVID-19. We maintain a cross-skilled workforce which enables us to continue to operate under exceptional circumstances. However, we're sorry that you may experience some delays in us responding to your enquiry or longer call waiting times.

We're prioritising critical services, making sure essential tasks are carried out including retirement and bereavement claims and payment of regular income.

Our company remains financially strong and well-capitalised. We have over 180 years of history. While COVID-19 undoubtedly presents significant uncertainty for everyone, we are confident we will keep delivering for our customers.

There are several ways to contact us

Call us on **0345 026 0003**. Call charges will vary. We may record and monitor calls.

Email us at: customer.response@landg.com

If you're contacting us by email please remember not to send any personal, financial or banking information because email is not a secure method of communication.

You can write to us at:

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