It has come to our attention that scammers may try to use the current unprecedented situation in relation to COVID-19 to try and take advantage of people and their savings. Please read the ‘Scams’ alert below which has recently been issued by the Financial Conduct Authority (FCA) which helps you identify what to look out for and how you should report it.

Scams

A major event like coronavirus (Covid-19) can initiate new types of scam activity. These scams take many forms and could be about insurance policies, pension transfers, or high-return investment opportunities, including investments in cryptoassets.

Scammers are sophisticated, opportunistic and will try to get personal details or money from victims in many ways. They are also very likely to target the vulnerable or those susceptible to being scammed, particularly in the current climate with many people being at home.

Beware of investments that appear to be too good to be true. If you decide to invest in something offering a high return or in a cryptoasset, you should be prepared to lose all your money.

**What tactics to look out for**

* Exploiting short-term financial concerns, scammers may ask you to hand over an upfront fee – usually between £25 and £450 – when applying for a loan or credit that you never get. This is known as [loan fee fraud or advance fee fraud (link is external).](https://www.fca.org.uk/consumers/loan-fee-fraud)
* ‘Good cause’ scams. This is where investment is sought for good causes such as the production of sanitiser, manufacture of personal protection equipment (PPE) or new drugs to treat coronavirus – with scammers using the promise of high returns to entice consumers.
* Using the uncertainty around stockmarkets, scammers may advise you to invest or transfer existing investments into [high return (and high risk) investments (link is external).](https://www.fca.org.uk/consumers/high-return-investments)
* [Clone firms](https://www.fca.org.uk/consumers/avoid-scams-unauthorised-firms/clone-firms-individuals) - firms must be authorised by the FCA to sell, promote, or advise on the sale of insurance products. Some scammers will claim to represent authorised firms to appear genuine. In particular, be aware of life insurance firms that may be cloned.
* Scammers may contact you claiming to be from a Claims Management Company, insurance company or your credit card provider. They may say they can help you recuperate losses by submitting a claim, for the cost of a holiday or event such as a wedding cancelled due to coronavirus. They will ask you to send them some money or your bank details.
* Cold calls, emails, texts or WhatsApp messages stating that your bank is in trouble due to the coronavirus crisis and pushing you to transfer your money to a new bank with alternative banking details.

**To help protect yourself you should:**

* Reject offers that come out of the blue.
* Beware of adverts on social media channels and paid for/sponsored adverts online.
* Use the [FCA Register](https://register.fca.org.uk/ShPo_HomePage) and [Warning List](https://www.fca.org.uk/scamsmart/about-fca-warning-list) to check who you are dealing with.
* Not click links or open emails from senders you don't already know.
* Avoid being rushed or pressured into making a decision.
* If a firm calls you unexpectedly, use the contact details on the Register to check that you’re dealing with the genuine firm
* Not give out personal details (bank details, address, existing insurance/pensions/investment details).

More steps to avoid scams

If you suspect a scam, call [Action Fraud (link is external)](https://www.actionfraud.police.uk/) straight away on 0300 123 2040 you can also report the firm or the scam to the Financial Conduct Authority by contacting their [consumer helpline (link is external)](https://www.fca.org.uk/contact) on 0800 111 6768 or use their [reporting form](https://www.fca.org.uk/consumers/report-scam-us)

We hope the above information will help you keep your investments safe from fraudsters however, if you would like further information on the FCA’s advice about scams, click here to help identify the [warning signs of pension scams](https://www.fca.org.uk/consumers#scams-67211), and what you can do to spot and avoid them on the FCA’s [ScamSmart](https://www.fca.org.uk/scamsmart) website.