



ASSOCIATION OF CONSULTING ACTUARIES

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Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

Dear Sirs

Guidance consultation – advising on pension transfers

I am writing on behalf of the Association of Consulting Actuaries in response to the above-named consultation issued by the Financial Conduct Authority.

Our only comment concerns the guide for employers and trustees set out in Annex 2 of your consultation. As you know from the letter to you from the JIF industry bodies dated 4 August, to which ACA was a signatory, we have significant concerns over the comments on page 82 regarding *"illustrative figures that compare the outcomes a member might get if they keep a safeguarded benefit or transfer/convert it into flexible benefits"* and in particular the statement that FCA *"consider that providing such figures could mean that firms are likely to be giving advice or an inducement"*.

Full details were set out in the letter to you of 4 August, which is attached, but in summary our concern is that this will:

1. Mean a significant minority of schemes (those who provide illustrative transfer values and/or an indication of the income this may provide outside the scheme) may need to change their retirement process or risk providing advice.
2. Restrict pension scheme members' ability to make informed decisions about their pension benefits.

We would be happy to discuss this further if that is helpful. In that event, please contact me on 01372 733763 or at peter.williams@aon.com.

Yours sincerely

Peter Williams

Chair, Pension Schemes Committee

On behalf of the Association of Consulting Actuaries Limited

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