

## Chapter 10

# Guidance on activities related to pension schemes



**Table summarising regulatory position concerning financial promotions by trustees, employers and affinity groups.**

Person communicating	Subject or purpose of communication	Need for approval or exemption available
Employer, affinity group or trustee	To provide information on any aspect or type of pension arrangements without seeking to persuade the recipient to take a particular course of action.	Approval or exemption not needed. Mere information will not be a <i>financial promotion</i> .
Employer, affinity group or trustee	To persuade employees or members to join an <i>occupational pension scheme</i> which is not a <i>stakeholder pension scheme</i> .	Approval or exemption not needed as interests arising under the trusts of an occupational pension scheme which is not a stakeholder pension scheme are not investments and so the communication will not be a financial promotion (see Q47).
Employer, affinity group or trustee	To persuade employees or members to join a stakeholder pension scheme or a <i>group personal pension scheme</i> .	<p>Approval or exemption needed as rights under a stakeholder pension scheme and rights under a group personal pension scheme are themselves investments.</p> <p>Promotions about stakeholder pension schemes will be exempt where employers are making them in order to meet their statutory obligation to provide a stakeholder pension scheme for their employees.</p> <p>Employers and contracted service providers may be able to use the specific exemptions for promotions made to employees if the conditions in the exemptions are satisfied (see Q48 and Q48A).</p> <p>Individuals who act as unpaid trustees will not be making promotions in the course of business, so approval or exemption will not be required.</p> <p>Affinity groups may or may not be promoting in the course of business depending primarily on whether they are carrying on their main activities as a business.</p>
Employer or affinity group	To persuade employees or members to make free-standing additional voluntary contributions (FSAVCs) or to take out any other type of <i>personal pension scheme</i> (other than a stakeholder pension scheme or a group personal pension scheme).	Approval or exemption will be needed as rights under FSAVCs and other personal pension schemes are themselves investments.

Person communicating	Subject or purpose of communication	Need for approval or exemption available
Employer, affinity group or trustee	To persuade employees or members to take out additional voluntary contributions (AVCs) or an annuity to be held under an occupational pension scheme which is not a stakeholder pension scheme.	Approval or exemption not needed as interests in AVCs or annuities arising under the trusts of an occupational pension scheme which is not a stakeholder pension scheme are not investments and so the communication will not be a financial promotion (see Q47).
Employer, affinity group or trustee	To persuade employees or members not to join, or not to leave the occupational pension scheme to join, a stakeholder pension scheme or a group personal pension scheme or not to switch funds by reference to which their benefits are calculated.	Approval or exemption not needed as persuading persons not to acquire, or not to dispose of, investments is not a financial promotion.
Employer, affinity group or trustee	To persuade members of a pension scheme to switch funds by reference to which their benefits are calculated.	<p>Approval or exemption not needed when the scheme is an occupational pension scheme which is not a stakeholder pension scheme as the rights being switched are not investments and so the communication will not be a financial promotion (see Q47).</p> <p>Where the switching rights occur under a stakeholder pension scheme or a group personal pension scheme, approval or exemption will be needed as the rights are investments.</p> <p>Employers and contracted service providers may be able to use the specific exemptions for promotions made to employees where the promotion relates to switching rights under a group personal pension scheme or a stakeholder pension scheme and the other conditions in the exemptions are satisfied (see Q48 and Q48A).</p> <p>Trustees will be exempt as they are making the promotion to a member and it relates to the management or distribution of the trust fund.</p>
Trustee	To persuade co-trustees to enter into an investment transaction.	Trustees will be exempt as they are making the promotion to a fellow trustee and it is made for the purposes of the trust fund.