



**CLINT ZWEIFEL**  
MISSOURI STATE TREASURER

September 16, 2013

The Honorable Chris Koster  
Attorney General of Missouri  
Supreme Court Building  
Jefferson City, MO 65101

Dear Mr. Attorney General:

I have become increasingly concerned about a new type of scheme called a "pension advance" that businesses are using to target the pensions of our seniors, veterans and hardworking Americans.

As the State Treasurer, it is my job to protect taxpayers. As a trustee of the Missouri State Employees' Retirement System (MOSERS), I ensure taxpayer dollars are invested wisely and protect the pensions of hardworking Missourians who have earned a quality retirement. I feel that these responsibilities compel me to take steps to ensure businesses offering pension advances cannot prey on Missourians.

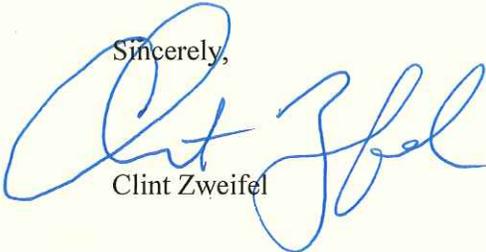
Pension advance companies take advantage of those individuals who find themselves in financial distress. Retirees in financial need agree to give up a portion of their hard-earned pension benefit in exchange for a lump-sum payment. These agreements can be deceptive, as the interest rates and fees charged are usually not disclosed. Recent media reports indicate that the effective interest rates can range from 27 percent to 106 percent. Even worse, some of these agreements require the individual to grant power-of-attorney rights over the pension benefit to the company, and many also require the individual to take out a life insurance policy naming the company as beneficiary.

These practices can be harmful and unscrupulous, targeting some of our most vulnerable in a time of need.

I am asking you to join me in an effort to investigate pension advance schemes in Missouri. I hope that by leveraging the resources of our respective offices, we will be able to protect Missourians and protect the retirement of our state's workers. Additionally, I will be working with the General Assembly to introduce legislation to ensure that the practice of targeting public pensions is prohibited in Missouri. I welcome your support in this endeavor.

I look forward to working with you to stop this troubling practice in Missouri and let those businesses that offer pension advances know they are not welcome here.

Sincerely,



Clint Zweifel

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