

Buy-outs and buy-ins report 2014



- 3** Introduction
- 4** Buy-outs and buy-ins market activity
- 5** Changing market conditions – potential opportunities
- 8** Medical underwriting
- 9** Assessing a transaction
- 11** Are insurers safe?
- 12** Preparing for the quotation process
- 14** Insurer flexibility - bulk annuity options
- 16** Contact details

While 2013 was the most successful year for the bulk annuity market since 2008, the market continues to strengthen and 2014 is already well on course for a record breaking year.

The record for the largest bulk annuity transaction in the UK was broken in July 2013 when Pension Insurance Corporation completed a £1.5bn deal with the EMI Group Pension Fund. However, this was recently surpassed in March this year by the £3bn pensioner buy-in agreed between Legal and General and the ICI Pension Fund.

For schemes at the other end of the size spectrum, the range of options has also increased with the continued development of the medically underwritten market, offering a lower cost de-risking option for the right schemes.

The 2014 Budget announcement provided much greater flexibility for defined contribution (DC) members which may also have a positive knock-on effect for the bulk annuity market. In the short term, insurers whose individual annuity business is impacted may increase their bulk annuity appetite as a result. Over the medium term, an increase in the level of individual transfers from defined benefit (DB) to DC, assuming they remain permitted following the current consultation, could also generally improve transaction affordability for schemes.

For those schemes that have already progressed a reasonable way down the de-risking path, there have been opportunities available to transact. The recovery of equity markets over 2013 and some signs of an easing in long-term bond yields have also tended to improve the overall level of affordability for schemes. With the inherent desire of most schemes to de-risk, trustees and employers should be aware of the full range of options available in the market and to be ready to move quickly if an opportunity arises.

Given the finite resources of the providers currently in the market, it is more important than ever for schemes to do their homework. Being well prepared for a potential transaction can maximise the level of engagement from the insurers and helps support an effective process. Understanding new developments in the market, for example the emergence of medical underwriting, also enables trustees and sponsors to make the right choices for their own particular scheme.

As well as providing an update of the latest market activity in this report, we discuss the current market pricing and highlight some of the key issues that trustees and employers should consider when looking to carry out a bulk annuity transaction. We also describe some of the innovations that the insurers have developed to help facilitate transactions.

We hope this report provides a useful overview of the bulk annuity market and the recent developments. For further information please contact me.



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Buy-outs and buy-ins market activity

The transactions completed by the UK bulk annuity insurers over 2013 are as follows:

	Number of transactions					Value of transactions (£m)					Average transaction value (£m)
	2013					2013					
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
Aviva	10	12	9	29	60	28	86	29	237	380	6
Canada Life	5	8	4	2	19	1	3	0	0	4	0.2
Just Retirement	0	0	1	1	2	0	0	3	2	5	3
Legal & General	21	15	13	19	68	359	206	555	194	1,314	19
MetLife	5	0	3	2	10	31	0	24	1	56	6
Partnership	2	2	2	5	11	3	9	23	49	84	8
Pension Insurance Corporation	9	10	9	7	35	265	518	1,921	1,041	3,745	107
Prudential	0	0	1	2	3	0	0	120	125	245	82
Rothesay Life	1	0	3	1	5	190	0	1,204	280	1,674	335
Total	53	47	45	68	213	877	822	3,879	1,929	7,507	35

Source: Insurers

Pension Insurance Corporation wrote the highest value of business over 2013. As discussed above, this included the £1.5bn buy-out with the EMI Group Pension Fund which was announced in July. However, Legal & General have written the most transactions - nearly a third of the total cases. This reflects their willingness to quote on a broad range of transaction sizes, including very small transactions where the number of interested providers is relatively limited.

The figures also help to illustrate how different providers focus on particular areas of the market. For example, Prudential and Rothesay Life typically target mid to large size transactions, while other insurers typically focus on smaller transactions, including the specialist medically underwritten providers Partnership and Just Retirement.

The value of bulk annuity transactions completed by UK insurers was £7.5bn in 2013, the largest value since 2008.

Just Retirement's transaction in Quarter 3 was the first transaction they have completed. Canada Life have re-joined the bulk annuity market for small pensioner-only transactions.

In October 2013, Rothesay Life announced new investors were taking a stake in the company. The new investors are funds managed by Blackstone and GIC along with Massachusetts Mutual Life Insurance Company. Goldman Sachs, who were Rothesay's sole owners, will remain the largest shareholder with a 36% stake.

In February 2014, the sale of MetLife Assurance to Rothesay Life was announced, subject to regulatory approval and agreement of the conditions of the transaction. It is expected that this transaction will be confirmed during Quarter 2 of 2014. MetLife's parent has concluded that competing in the UK bulk annuity market is no longer appropriate in the context of their overall business strategy.

2014 Budget

In the March Budget, George Osborne delivered a game-changing announcement for the individual annuity market, removing the requirement for members of defined contribution (DC) schemes to purchase an annuity with effect from April 2015, with the flexibility for pension pots to be taken wholly as cash. While this dramatically affects the individual annuity market, the impact for the bulk annuity market is less clear. For those insurers who offer both individual and bulk annuities there may be a greater emphasis and resources directed towards the bulk annuity side.

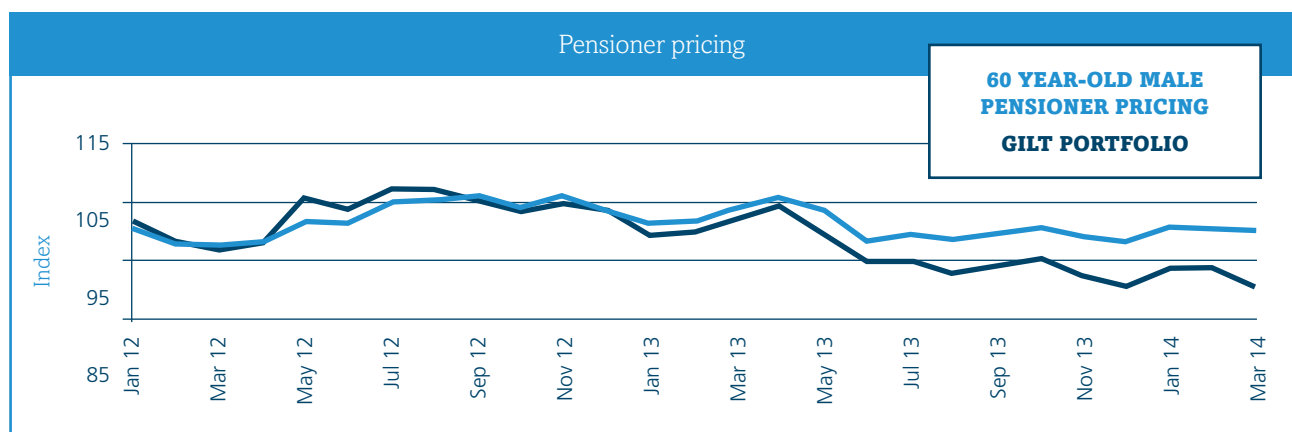
Changing market conditions – potential opportunities

Pensioner buy-in

A pensioner buy-in has become a recognised de-risking option for schemes. During 2012, there was an opportunity for schemes holding gilts to secure a pensioner buy-in without worsening their scheme's funding level by using their gilts to fund the transaction – effectively achieving a full matching of the interest rate and inflation rate risks, and also importantly removing the longevity risk. Some schemes took advantage of this – examples include the two Smith & Nephew schemes that transacted with Rothesay Life and the Institute of Cancer Research Pension Scheme that transacted with Pension Insurance Corporation.

The graph below demonstrates how pricing for a male aged 60 has varied over the last two years against a sample gilt portfolio. For a period during 2012, the relative yields underlying the gilt portfolio and insurer pricing were such that gilts could be used to purchase an annuity policy at no additional cost.

While the pricing for a pensioner buy-in may not have been as favourable in 2013 as it was during parts of 2012, there were still opportunities during the year for schemes that have a significant gilt holding to transact at a level that would only have a minor effect on the funding level.



Source: Barnett Waddingham internal model

For those schemes, such a transaction may still represent an attractive de-risking option if timed correctly.

In addition to changes in market conditions, relative insurer pricing will continue to be volatile, so it remains important for schemes to continue to monitor the position to identify suitable opportunities as they arise.

What could make pricing more attractive?

Pensioner buy-in pricing may become more attractive if:

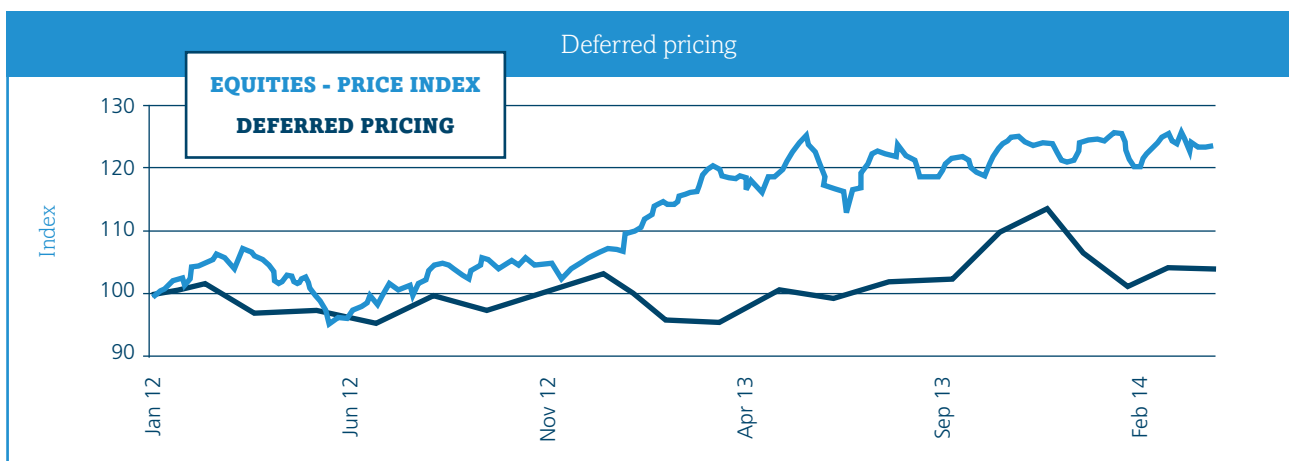
- Credit spreads available on corporate bonds increase.
- Long-term interest rates move favourably relative to the scheme's assets.
- Long-term price inflation expectations fall where the scheme is not strongly hedged.

Full scheme buy-out

For the majority of cases, a full scheme buy-out is unlikely to have been a viable option. However, depending on the specific circumstances and the investment strategy adopted, the top-up required to secure a transaction may become feasible for some employers. We have certainly seen greater interest in this type of transaction.

As operating expenses become proportionately larger, a full scheme buy-out makes more financial sense if these are factored in appropriately. In addition, schemes which have heavily de-risked in the past and have been relatively well funded may also find that the step to full buy-out is actually achievable.

Schemes invested in equities will almost certainly have found that a bulk annuity transaction is now more affordable – either through a partial buy-in or a full buy-out. Many schemes use equities, or other forms of growth asset, to at least partially support their deferred member liabilities. The graph below demonstrates how equity prices have outperformed the annuity pricing of deferred members for a typical pension scheme since the beginning of 2012.



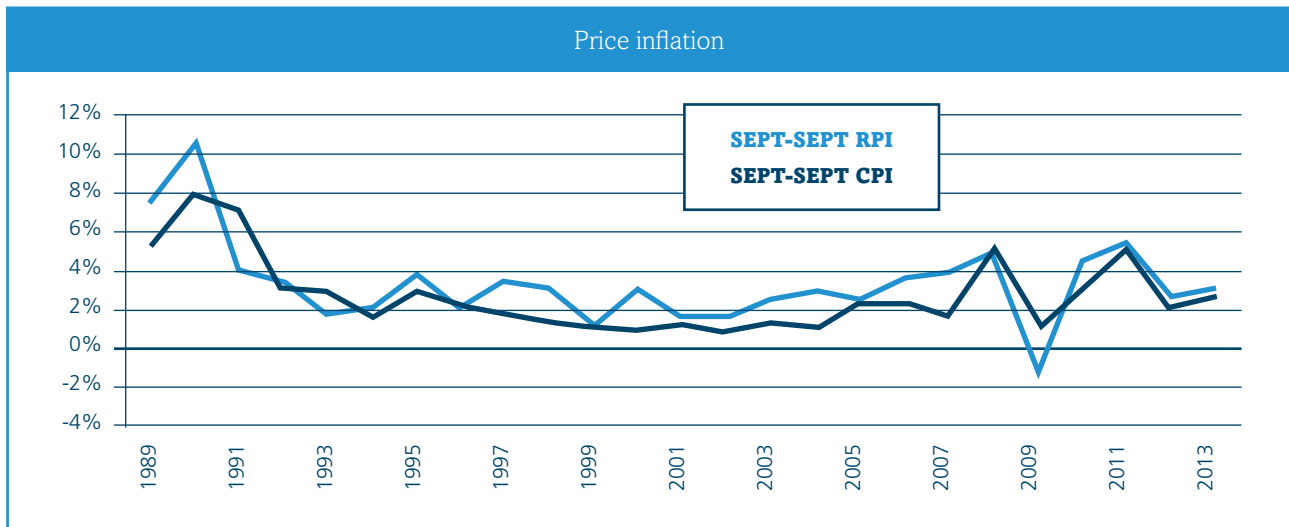
Source: Barnett Waddingham internal model

For schemes more widely, a continuing rise in long-term bond yields, combined with some strong growth asset performance over the course of 2014, may make a bulk annuity transaction more affordable.

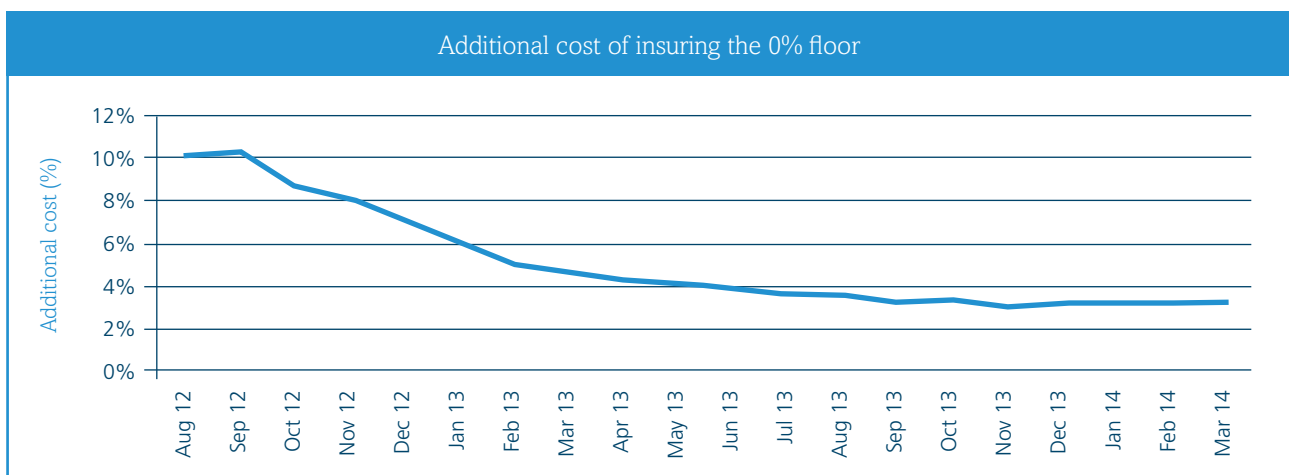
Price inflation – potential flexibility

Negative inflation

Schemes typically provide pension increases which are linked to price inflation but the regulatory requirements mean that the pension payable cannot be reduced if inflation is negative. As the following graph shows, this has been relatively rare over the last 15 years for the Retail Price Index and the Consumer Price Index.



Insurance companies invest their assets in a way which matches the characteristics of the benefits being insured. Therefore, insurers would have looked to purchase an inflation linked asset whose payments did not reduce during a period of deflation. If this isn't possible, they will hold a reserve to reflect any mismatch. The cost of this protection against negative inflation, which will ultimately form part of the overall bulk annuity premium, will vary over time. The following graph illustrates the recent cost of protection.



The graph demonstrates that the cost of insuring the 0% floor was much higher in 2012 and a considerably lower premium could have been paid by insuring benefits without the floor. However, the scheme would have been exposed for the pensions covered by the policy if there was a period of deflation in future.

Is this option attractive for all transactions?

For a buy-out, insuring benefits without the floor is not a genuine option as the link between the scheme and members is broken following the buy-out. The trustees will want to ensure that the correct benefits are fully insured.

For a buy-in, the removal of the 0% floor in the insurance contract could be an option, particularly when the cost is viewed to be relatively high. This is because the trustees are still responsible for paying the members' pensions and, in the event that inflation does fall below zero, they can still pay any necessary additional pension to the members. The benefits will need to be correctly insured on moving to buy-out. Whether this is an attractive option will depend on the objectives for the pension scheme and should be considered in the context of the overall investment strategy.

A recent transaction between Pension Insurance Corporation and the GeoPost UK Limited Pension Scheme excluded the 0% floor in the insurance policy for the time being but included a clause that allowed for the floor to be added at a future date. This clause may be appropriate for trustees who are concerned about the policy not matching benefits correctly in the long-term – the cost of including the 0% floor will depend on the market conditions at the time.

CPI linked benefits

Another area for consideration is where the scheme benefits are linked to increases in the Consumer Price Index (CPI) rather than the Retail Price Index (RPI). The supply of suitable assets to match the payment of CPI increases is very limited and so the insurers' pricing does not reflect the reduction relative to RPI that may be expected based on the underlying differences in the inflation indices.

“For a buy-in, there is the option to secure benefits which do not exactly replicate the liabilities, with a view to securing these at a later date when the terms may be more beneficial.”

Medical underwriting

Over the last year, the use of medical underwriting in the bulk annuity market has made significant progress. Partnership completed the first transaction which included medical underwriting in December 2012 and a number of further transactions have been completed since. The largest transaction to date using this process has been for £36.5m and was announced in April 2014. In addition to the specialist enhanced annuity providers, Partnership and Just Retirement, Aviva and Legal & General are also able to offer this option as part of their quotation process.

The medically underwritten option is more appropriate for transactions involving pensioners and older deferred members. Information about the health or lifestyle of younger deferreds will have less effect on the premium as any impact on life expectancy for these members is more difficult to determine.

Medical underwriting may result in a reduced premium if members have medical or lifestyle factors which result in a lower life expectancy than expected under conventional insurer pricing. Illustrative savings for an individual annuity for a range of medical conditions are shown on the right. The effect on the premium is highly dependent on the specific circumstances of each case, and can vary considerably depending on the severity and ongoing nature of the condition.

Illustrative premium reductions for various medical conditions

Cancer	5%-40%
Heart disease	5%-30%
Diabetes	5%-25%
Smoker	0%-10%

Source: Partnership/Just Retirement

In general, the insurers' focus for medical underwriting is transactions of fewer than 300 members and typically where a significant proportion of the liability is skewed towards relatively few members. In addition, the trustees or the company may be aware that a number of these higher liability members have health or lifestyle issues which may impair their life expectancy.

It is important to be aware that medical underwriting can increase the premium above insurers' conventional rates if members actually turn out to be healthier than expected. In addition, if medical information is requested from members, it is very likely that insurers will decline to quote on a conventional basis. Therefore, careful consideration is needed before adopting a medically underwritten rather than a conventional quotation process.

The medical underwriting process can involve asking members to complete initial medical questionnaires, to take part in telephone conversations or to allow a review of their GP reports. Different insurers have different preferred methods. In adopting a suitable process, the aim will be to maximise member engagement in a way which recognises the potentially sensitive nature of the information involved. A third party specialist has been used in some cases to obtain the medical information which avoids the problem of several insurers contacting each member directly.

Is medical underwriting suitable for my scheme?

1. Is the potential transaction for 300 members or less?
2. Does the potential transaction primarily include pensioners and/or older deferreds?
3. Is there a reasonable expectation that medical underwriting will produce a lower premium than conventional rates? For example, do some members with large liabilities have health or lifestyle issues?
4. Is it a partial transaction rather than for the pensioner members or scheme as a whole? If so, then selection of the members being insured will need to be objective to reduce any subsequent problems with insuring the remaining members.
5. Are the trustees comfortable with the process to obtain the medical information?

“Whilst this area of the market is in its relatively early stages, it does now offer an alternative option for the right schemes which may result in a lower premium. The entry of Legal & General and Aviva also increases the potential for competition where a suitable standardised data-gathering process can be agreed between the respective insurers. The strong desire of Partnership and Just Retirement to grow this area of the market may also be beneficial for the right schemes in the short term.”

Gavin Markham, Head of Bulk Annuities

Assessing a transaction

For most employers and trustees, the cost of buying out the scheme is likely to appear prohibitive, particularly while gilt yields remain at current levels. However, an increasing number of schemes are considering longer-term funding targets which incorporate a lower level of risk. Allied to some favourable movement in market conditions, this could result in schemes reaching a position where the additional contribution needed to achieve a full buy-out becomes feasible.

In considering affordability, it is important to take into account each of the issues which is removed by the buy-out.

- **Volatility** – a buy-out removes the risks faced by the pension scheme including exposure to changes in interest rates, price inflation and investment values. Whilst it is possible to manage these financial risks separately, this may not be perfect and the removal of the longevity risk for a buy-out transaction brings the value of significant added certainty.
- **Operating costs** – the total ongoing expenses of running a pension scheme can be material, especially for smaller schemes where they have a proportionately larger impact.
- **Time and resources** – defined benefit pension schemes can take up a considerable amount of senior management time and effort. Removing this, and the distractions generated by the scheme has a tangible value to the business.

What about a buy-in?

Even if a full buy-out is unaffordable, it may still be possible to complete a buy-in for part of the scheme's liabilities. Pricing opportunities can arise for certain tranches of members which look attractive for a scheme.

In considering the cost of a pensioner buy-in transaction, the Scheme Funding basis is often used as the reference point. However, there are potential limitations within the Funding basis which may mean that it is not the most suitable measure. While the Funding basis may be appropriate for the scheme as a whole, it may not reflect the particular characteristics of the members being covered by the transaction.

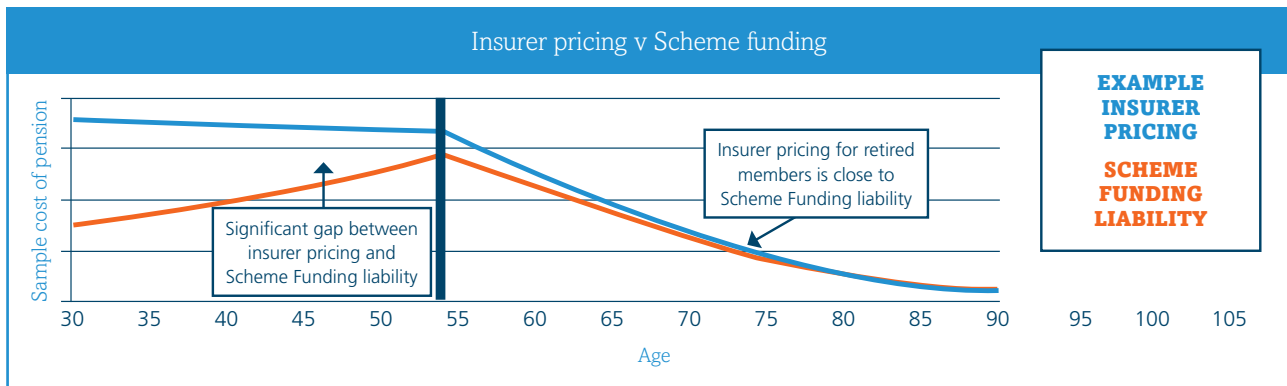
The nature and duration of the specific liabilities being insured should be considered so that a more appropriate assessment of the value of the premium can be made. For example, if older members are being insured, the duration of the remainder of the scheme may increase and this would currently imply a higher discount rate being adopted. Where gilt holdings are being used to secure a buy-in transaction and the remaining assets will be retained, an increase in the assumed rate of investment return used to value the remainder of the liabilities may be justifiable which can offset any funding impact.

“For sponsors looking to remove their defined benefit scheme, a full buy-out may not be achievable without a significant cash injection. Setting a long-term de-risking plan of 10-15 years and completing buy-ins when they become affordable is a proactive way of gradually reducing the funding risk.”

Mark Paxton, Senior Bulk Annuity Consultant

The graph overleaf illustrates how insurer pricing for a sample scheme may compare against the Scheme Funding liability at different ages. For this scheme, the assumed retirement age is 60. For members before retirement, the cost of insuring the liabilities is considerably more expensive than the Scheme Funding liability. However, for members who have retired, any difference is much smaller.

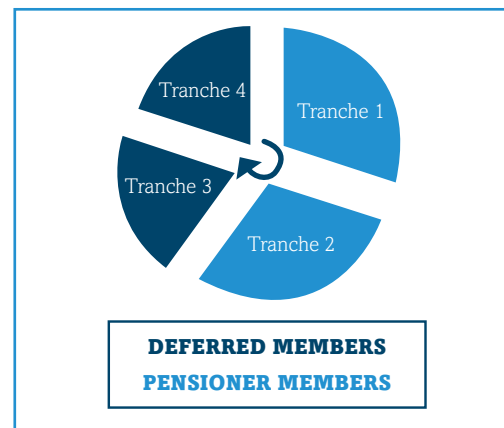
This reflects the fact that schemes often measure their pensioner liabilities with reference to lower risk assets such as gilts or corporate bonds which is similar to the backing assets held by insurance companies. However, for deferred members, insurers continue to invest in assets that closely match the liabilities whereas schemes often assume additional outperformance from investment in equities or other growth assets for the period prior to retirement.



Source: Barnett Waddingham LLP internal model

Insurers also take a prudent review of the reinvestment returns which will be available for liabilities with a longer duration, such as those for younger deferred members. Therefore, the assumed investment returns used by insurers to value deferred members are often considerably lower than those assumed by schemes for funding purposes, supporting the greater focus on pensioner buy-ins within the market.

As part of an overall funding strategy, specific groups of the membership could be targeted over time with tranches being insured once the members reach retirement. The diagram on the right gives an example of how a scheme may be completely insured by a set of trustees with a long-term de-risking plan.



As part of the strategy, it is important for schemes to monitor the affordability of a transaction and to be in a position to respond quickly if a pricing opportunity arises.

Are insurers safe?

A buy-out or buy-in reduces or removes certain risks for the scheme, but it introduces new risks associated with the reliance on the ongoing financial stability and business practices of the insurer. The 2008 financial crisis undermined the confidence placed in the strength of large financial institutions. In addition, some insurers that entered the bulk annuity market in 2007-8 have since pulled out of the market and have transferred their liabilities to another insurer, leading to a possible period of uncertainty for trustees and members.

Some comfort can be taken from the regulatory regime that applies to insurers, as outlined on the right. However, trustees or sponsoring employer may want to consider the financial strength and stability of the insurer, and in the case of the trustees clearly demonstrate that they have taken these factors into account. A specialist independent review of the insurer can help provide reassurance about either the preferred provider or form part of the decision making process, especially where any pricing differences are not deemed to be material.

Insurance safeguards

- Initial premium
- PRA capital requirements
- PRA supervision
- PRA intervention
- Transfer of liabilities to another insurer
- Financial Services Compensation Scheme

Regulatory regime

In addition to the premium payable for the transaction, insurers are required to satisfy stringent capital requirements which are enforced by the Prudential Regulation Authority (PRA). The capital requirements are known as Pillar 1, which is made public, and Pillar 2 which is not. The Pillar 2 test requires the insurer to show they will be able to survive extreme events that are considered to occur with a 1 in 200 probability in a given year.

The PRA has considerable powers over any insurer for whom they have concerns. For example, they may insist that the insurer closes to new business, alters its investment strategy or changes its board members. For an insurer that has closed to new business, a decision has to be made over whether they should carry on paying the pensions or whether they should attempt to transfer the liabilities elsewhere. In the past few years, Paternoster, Alico and Lucida have all withdrawn from the bulk annuity market and have transferred their liabilities to Rothesay Life, MetLife and Legal & General respectively.

In the event that an insurer becomes insolvent, attempts would be made initially to transfer the liabilities to another provider. If no other insurer is willing to take over the liabilities, the Financial Services Compensation Scheme (FSCS) would cover bulk annuity policies in the event of insurer insolvency paying an amount which is broadly 90% of the benefits insured. However, it should be recognised that the FSCS has not been meaningfully tested to date through the insolvency of a very large insurer.

“Trustees have the responsibility to ensure that any transaction is in the best interest of members and does not expose them to any undue risks... In the past we have worked with a number of trustees to help them understand the regulatory regime in which insurers operate and identified the key risks that specific insurers are exposed to and how they mitigate these risks. Only by independent consideration of the complicated financials of insurers can trustees avoid the risk of being unduly swayed by brand name and size. Our service ‘Bulk Annuity Transactions – insurer financial strength and beyond!’ helps trustees to develop their understanding of the risks and determine whether an insurer is right for them. No trustee wants to enter into a deal blindly.”

Kim Durniat, Partner, Insurance Actuarial

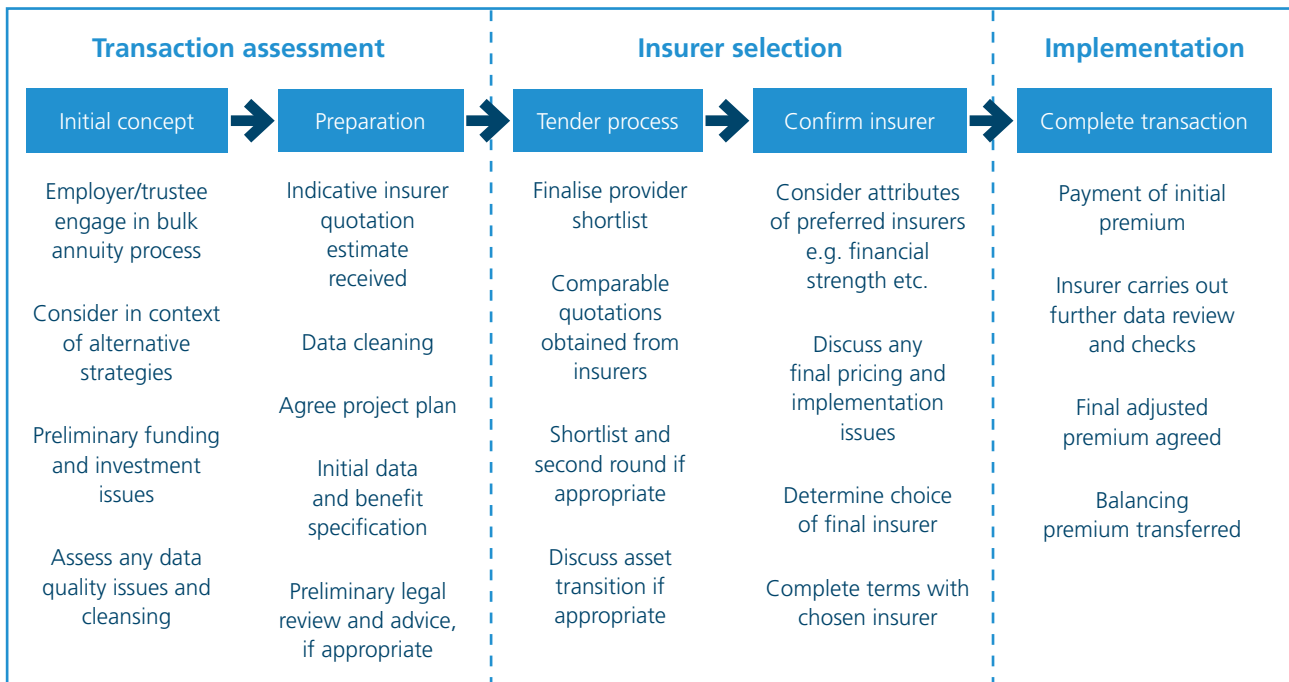
Preparing for the quotation process

A key part of completing a transaction is ensuring that the quotation process is efficient and that the trustees and company have prepared for the transaction effectively.

Affordability of transactions can be volatile and transactions that appear viable can become unaffordable very quickly as insurer pricing or scheme asset values move. Insurers reference assets differently in their pricing models which means that their premiums will not necessarily move in the same way in response to changing market conditions. As a result, if quotations are received by a scheme but no action is taken promptly, any conclusions drawn from the quotations may become redundant.

Insurers also have limited capacity to complete quotations and may withdraw from cases which they believe are unlikely to transact or will take a long time to complete. Demonstrating effective preparation and a well-organised quotation process can help persuade insurers to participate at the outset and generate a greater engagement throughout the tender process.

As a result, it is important to have a detailed project plan in place so that the transaction is completed efficiently. While each case will vary, the following diagram outlines a typical summary project plan for a quotation process.



Initial concept and preparation

It is important that the de-risking project involves both the company and trustees in the process from an early stage. It is possible to run up unnecessary costs only for one of the parties to identify a problem that delays or halts the quotation process. This can be avoided with careful planning.

Issues that employers and trustees may need to consider for de-risking projects:

- What is an effective governance structure and decision-making process?
- Is there a specific timescale for the trustees and employer to de-risk the scheme?
- Is a full buy-out and wind-up of the scheme the ultimate objective?
- How would de-risking affect the employer's accounting figures?
- Is any additional funding from the employer available?
- What are the potential financial triggers for a transaction?
- Are there any active employees and how should they be treated?
- Are there any other issues that may delay the process?

Some schemes may choose to carry out a liability management exercise in advance of a buy-out or buy-in such as a pension increase exchange or retirement exercise. Whilst these can reduce the overall cost of a transaction, they need to be balanced with the time and resources required, and the potential for adverse movements in the market in the meantime. In addition, it is likely that the insurer will make some allowance for the 'selection' effects which may arise from the exercise.

The quality and completeness of the scheme's data should also be considered. Pension scheme records date back for decades and errors can develop as administrators change, old records are forgotten or computer systems are updated. In addition, the information required for a transaction includes items which may not be necessary for the ongoing administration of the scheme, such as full spouses' details. While data does not have to be perfect to obtain quotations, a level of data cleansing may be required to ensure that reliable quotations are provided and remove any overly prudent assumptions which may be used by the insurers.

“It is important that data is as clean and complete as possible when quotes are obtained. Clean data helps to reassure the insurers that the trustees and sponsor are serious about transacting and means that there won't be significant adjustments required to the pricing at a later stage. However, cleaning data can be a complicated process and it requires experienced administrators to do it properly, efficiently and cost effectively.”

Paul Latimer, Head of Pensions Administration

In specifying the benefits to be insured, it may be necessary to consider how any discretionary or complex benefits are to be treated. We recommend that the benefit specification is reviewed by the scheme's legal advisers to make sure it is correct and is consistent with the rules. Errors and misunderstandings may lead to inaccurate quotes and will have to be resolved at a later date.

Obtaining formal quotes from insurers can take several weeks and there will be a cost to obtaining these quotes which will be wasted if the quotations are unaffordable. Barnett Waddingham can provide an indication of the likely premium before insurers are approached, reflecting the regular pricing information we receive from a number of major providers in the market. The solvency position assessed as part of the actuarial valuation may not represent an appropriate assessment of the potential cost - it may not provide a good representation of insurer pricing for the specific members to be insured and is likely to be out of date.

Thorough preparation leads to more efficient and cost-effective transactions and avoids unexpected issues de-railing the process at a much later date.

Insurer flexibility - bulk annuity options

Insurers have a number of options that can help trustees and sponsors complete a transaction. Two examples, which have been used in recent transactions, are outlined below. Engaging proactively with the insurer is important as they can often be flexible, working with the scheme to achieve a mutually satisfactory solution which meets the aims of the trustees and sponsoring employer.

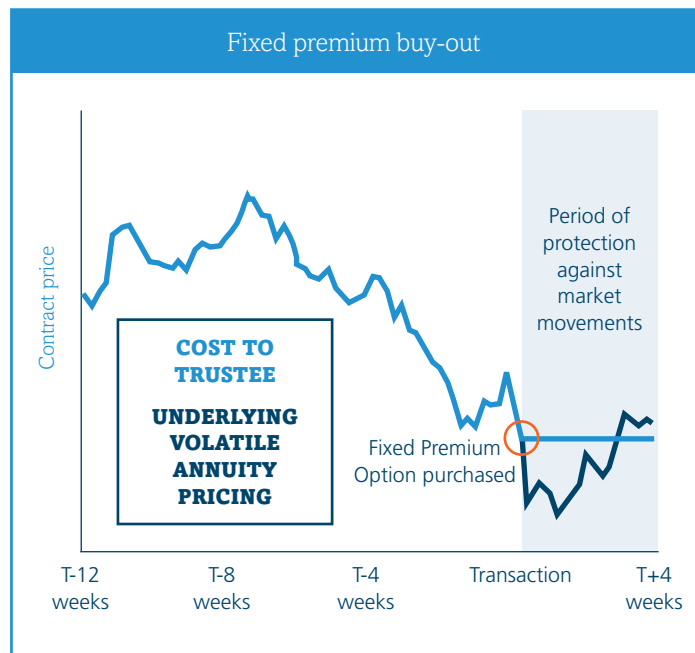
CASE STUDY

An example of an insurer showing flexibility to complete a transaction is the recent deal between the Lloyd's Superannuation Fund and Pension Insurance Corporation. The Trustee of the Fund was advised by Barnett Waddingham.

In this case, the Trustee was due to receive a one-off fixed amount from the sponsoring employer to enable the Trustee to buy-out the Fund. As pricing normally varies according to market conditions, this would mean that the risk of movements in the annuity price before it could be paid would be borne by the pension scheme. The Trustee wanted as much certainty as possible around the insurance cost.

Barnett Waddingham sought from the insurers an innovative mechanism to fix the premium for a period so that the Trustee would be protected from pricing movements. Pension Insurance Corporation agreed to use a swaption to fix the price over the required period. As far as Barnett Waddingham and Pension Insurance Corporation are aware, this swaption mechanism has not been used previously.

A small initial premium was paid to Pension Insurance Corporation which served to fix the buy-out premium for a period of four weeks. The graph shows how this worked. This enabled the Trustee and the sponsoring employer to agree the one-off lump sum and for this amount to be paid to the Scheme. The buy-out premium was then paid to Pension Insurance Corporation, all without any market exposure for the Trustee.



Deferring part of the premium

The insurer may allow some of the premium to be deferred. This is effectively a loan to the scheme that guarantees the annuity pricing terms at the outset. Therefore, an element of interest will be payable as well.

This approach allows the scheme to transfer the risk, but manage any cashflow requirements of paying the premium. The deferred element of the premium can be paid in stages in a similar manner to scheme deficit funding.

Data risk transfer

Bulk annuity transactions are frequently delayed due to the poor quality of the data. For a larger transaction, some insurers will agree to take on the risk for providing higher pensions if the data provided is ultimately found to be incorrect. In taking on this risk, an insurer will charge an additional premium. This can be a useful option if the employer wishes to insure the scheme quickly but there are data problems that may take some time to resolve. For example, this could apply in connection with a corporate transaction or where there is a desire to take advantage of favourable market conditions.

In providing this cover, the insurer will want to carry out a detailed analysis of the data to ensure that it is reasonable and that the risk of significant errors is small. This may include a review of old rules, deeds, scheme accounts and announcements to members as well as a review of administration practices and procedures.

Barnett Waddingham

a true partnership approach

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