



PENSION INSURANCE
CORPORATION

PIC SIGNS £60 MILLION BUY-IN WITH CIVIL AVIATION AUTHORITY PENSION SCHEME

London, 23 July 2018 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has completed its second pension insurance buy-in with the Civil Aviation Authority Pension Scheme (“the Scheme”), covering £60 million of liabilities. In [January 2017](#), PIC insured c.£90 million of the Scheme’s liabilities. The Trustees were advised by Aon, with legal advice provided by Reed Smith.

The Civil Aviation Authority (“CAA”) is a public corporation and was established by Parliament in 1972, as an independent, specialist, aviation regulator and provider of air traffic services. The CAA regulates active professional and private pilots, licensed aircraft engineers and air traffic controllers, as well as other bodies.

Joanna Matthews, Chair of the Trustees, said: “This transaction takes us a step closer to achieving our long-term aim of de-risking the scheme. It is great to work again with PIC, who demonstrated strong financial credentials, excellent customer service and competitive pricing. I am glad that all our members will benefit from the increased security that this insurance contract brings.”

Uzma Nazir, Head of Origination Structuring at PIC, said: “We are really pleased to continue our relationship with the Trustees in this latest transaction with the Scheme, a very positive outcome for members. A phased approach to de-risking has become a popular and practical choice for many schemes, due to their relative ease and the speed at which they can be conducted. It has been an incredibly busy market so far and we expect this to continue into the second half of the year.”

Paul Belok, Partner in Aon’s Risk Settlement Group, said: “Following on from the previous transactions totalling £1.7 billion, this transaction fits with the Scheme’s policy of seeking opportunities to de-risk over a period of time, using a phased approach to annuitisation. We monitored a number of key metrics through a quarterly dashboard, to determine when the time was right to go to market, and have been able to transact efficiently using previously agreed terms. We are delighted to have been able to help the Trustee complete this transaction.”

Simon Hartley, Partner in Reed Smith’s Pensions Group, said: “We are very pleased to have helped our long-standing client, the Trustee of the Civil Aviation Authority Pension Scheme, to achieve another major step in its de-risking strategy.”

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Notes to Editors:

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About Pension Insurance Corporation

The purpose of Pension Insurance Corporation plc (“PIC”) is to pay the pensions of its policyholders. PIC provides secure and stable retirement incomes through leading customer service, comprehensive risk management and excellence in asset and liability management. At year-end 2017, PIC had insured 151,600 pension scheme members and had £25.7 billion in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of U.K. defined benefit pension schemes. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit www.pensioncorporation.com.

About Aon

Aon plc, (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

About Reed Smith

Reed Smith is a global law firm with 1,800 lawyers in 28 offices across Europe, the Middle East, Asia and the United States. In London, Reed Smith's pensions group advises the trustees and sponsoring employee of some of the largest UK pension schemes.