



Press Release

28 April 2020

K3 Advisory enters medium scheme arena with £66 million NG Bailey deal

K3 Advisory, the pension market's only specialist independent bulk annuity and consolidator advisory business, today announced it has entered the medium scheme arena having advised and completed in total £66 million across two pensioner buy-ins both with Just Group for the £400 million NG Bailey Scheme

Adam Davis, Managing Director of K3 Advisory, commented: "The billion-pound transactions continue to get the headlines but underneath the surface the activity in the small and medium scheme space continues to grow significantly. This transaction shows that K3's unique 'simple and certain' approach to broking can achieve pricing well ahead of what's being achieved in the market for small and medium schemes alike, and that insurers are keen to transact if the conditions are right."

Jon Sharp, Director of Western Pension Solutions and sole Trustee, commented: "We have been working collaboratively with NG Bailey for many years, helping them manage their pension scheme and secure members' benefits, insuring £50 million of pensioner liabilities in 2017. One of our key strategic aims is to be able to seize market opportunities when they arise, and so we are delighted to have concluded these transactions."

"The original transaction, for £49 million of pensioners, received favourable terms from Just Group and so we quickly followed that up with another £17 million of pensioners on the same terms."

Mike Porter, Chief Financial Officer of NG Bailey, commented: "As a proud family business with a long tradition of looking after our employees throughout their careers

and into retirement, we were keen to secure the benefits of our pensioners at a cost that worked for shareholders and Trustees. As family backed businesses themselves, K3 and Western Pension Solutions understood the importance of this, and with their close collaboration we managed to achieve a deal that had little impact on either the scheme or company's finances whilst materially reducing the risks posed by the scheme. A fantastic deal all round."

Peter Jennings, Business Development Manager, at Just Group, commented: "We're delighted to have secured the benefits for the pensioners of the NG Bailey Scheme, the second and third deals we have transacted with them. As specialists in small and medium sized deals K3 know what it takes to make their projects attractive in a crowded market. The simplicity and efficiency of K3 Advisory's approach meant they got maximum insurer engagement and ultimately a price that worked for all parties. We look forward to working with K3 and the NG Bailey trustee team again in the future."

- ENDS -

K3 Advisory - Notes to editors

K3 Advisory is the pension market's only specialist independent bulk annuity and consolidator advisory business. Using first-hand experience from both the insurance and pensions sectors, K3 Advisory provides trustees and scheme sponsors with advice and brokering services to secure a smooth and effective transfer of liabilities to an insurer or consolidation vehicle.

The business was founded in 2018 with the aim of improving the efficiency of the bulk annuity and consolidation markets for the benefit of all involved. The business is backed by the Vestey Holdings Group, a fourth-generation family business whose origin date back to the 1890s.

See <https://k3advisory.com/> for more information.

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