



## Press Release

*10 November 2020*

### K3 Advisory completes combined buy-in of £22million

K3 Advisory, the pension market's only specialist independent bulk annuity and consolidator advisory business, today announced the completion of a £22million buy-in across two schemes. The combined value of the schemes consisted of two transactions, for £16.5million and £5.5million, and both were insured with Just Group.

Adam Davis, Managing Director at K3 Advisory, commented: "Covid-19 has caused significant disruption to the investment markets which has conversely presented beneficial opportunities for sponsors of final salary schemes seeking to insure their pension scheme benefits. **K3's partnership with Cartwright, and unique approach to ensuring small schemes are 'transaction ready',** allows us to make the most of the current market and quickly secure highly competitive pricing with insurers.

**"In this transaction we were also able to materially improve efficiencies and drive down the pricing because both schemes had a common sponsor. This helped us achieve an outcome better than a gilts return for both sets of trustees, allowing them to secure members' benefits at a better price than they might have expected."**

Sam Roberts, Director of Investment Consulting at Cartwright Benefit Solutions, commented: "Our client had already insured some of its pensioner liabilities and was looking to further reduce the scheme risk **by 'top-slicing' the largest liabilities.** The Trustees' and Company's close working relationship for many years, joint understanding of the investment strategy, and ability to consider and make decisions promptly, was vital in allowing the schemes to quickly take advantage of this unexpected opportunity when it arose. Also, working with K3 enabled us to maximise this risk reduction for our **client's fixed budget,** showing the benefit of Cartwright's approach to use specialist partners where appropriate.

“This is the second transaction in quick succession we have completed working with K3 and I look forward to achieving similarly positive outcomes for more of our clients in the future as they seek to reduce their pensions risks.”

**The Chairs of the Trustees commented:** “We were impressed by how smoothly the transaction process went, and how well the different firms worked together, allowing us to benefit from the good pricing in the market. Pensioner buy-ins are part of our long-term strategic plan and we were really pleased that both schemes could transact together and get the same insurance terms. We look forward to the next round of pensioner buy-ins!”

Peter Jennings, Business Development Manager at Just Group, commented: “Transaction size can be a factor when selecting deals. At Just we choose to engage with schemes approaching market that have a clear and well-developed execution plan.”

The transaction was led by Cartwright, who partner with K3 to enable their clients to get better access to the bulk annuity market. K3 led on the interaction with insurers.

The schemes were advised by Cartwright Benefit Solutions, H&C Consulting Actuaries LLP, Wrigleys Solicitors LLP, Ascot Lloyd and Lincoln Pensions.

- 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 by Adam Davis 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://www.k3advisory.com/> for more information.

### **About Just**

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, care and defined benefit de-risking markets. We have completed over 200 transactions, including more than 45 buy-outs and repeat transactions with over 20 schemes, since we launched our defined benefit de-risking proposition in 2012. Just has been trusted to manage £23 billion of customers' retirement savings and has helped customers release over £5.2 billion from their properties. Just provides a wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees.

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