



Pension Insurance Corporation to insure the Retirement Benefits Scheme of Food from Britain

London, 27 April, 2009 - Pension Insurance Corporation, a leading provider of risk management solutions to defined benefit pension funds, today announces that it is to insure the Retirement Benefits Scheme of Food from Britain (“FFB”). FFB was a Food Industry Export Promotion Agency, primarily funded by the Department for Environmental Food and Rural Affairs (DEFRA), and is currently being wound up.

The Trustees, working with their advisers, and after a rigorous vetting process of a short-list of several potential providers, selected Pension Insurance Corporation on the basis of its overall capabilities, flexibility and competitive pricing. Pension Insurance Corporation has insured the benefits of around 35,000 pension fund members over the past 12 months.

The Trustees utilised a number of different evaluation criteria and were impressed by Pension Insurance Corporation’s strong solvency position and its conservative approach to capital management. The Trustees were advised by Mercer Limited and legal advice was provided by CMS Cameron McKenna LLP.

The relevant current and future pensioners of the scheme will be issued individual insurance policies by Pension Insurance Corporation in due course as part of the winding up of the Scheme.

John Bevington, Chairman of the Trustees, said:

“We sought a provider whom we considered would provide longevity and effective support to our scheme members, whilst also being financially resilient and secure.

Pension Insurance Corporation has a strong solvency position, with a current year-end solvency ratio of 232%. It enacts a highly prudent risk policy, assuming that 50% of any spread between the corporate bonds and LIBOR is in respect of expected defaults. We were also impressed with the expertise of the Board and the calibre of the investor partners. Within our short-list, the Pension Insurance Corporation team demonstrated the most comprehensive understanding of all our requirements and we are confident we made the right appointment.”

David Ellis, Principal at Mercer Limited, said:

“The transaction demonstrates that it is still possible to complete a successful bulk annuity deal despite difficult markets. Mercer worked with the Trustees to carry out a competitive tender process and, after considering a number of proposals, the Trustees decided that Pension Insurance Corporation offered the best solution for Scheme members.”

John Coomber, Executive Vice Chairman of Pension Corporation, commented:

“We are pleased to work with the Trustees of the Retirement Benefits Scheme of Food from Britain in order to achieve security and stability for their members’ benefits.”

Edmund Truell, Chief Executive of Pension Insurance Corporation, commented:

“We are delighted to have concluded our second insurance transaction of 2009 and expect to close others in the near future. In what is clearly a difficult period, Pension Insurance Corporation remains well placed to provide risk transfer solutions to the trustees and sponsors of defined benefit pension funds.”

For further information:

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About Pension Corporation

Pension Corporation removes pension risks from the trustees and sponsors of defined benefit pension funds. As a market leader it is the counterparty to risks ranging from full pension insurance buyout to longevity risk insurance, sponsor stewardship and asset-liability management. Established in 2006 by the Truell Charitable Foundation, the Group now provides increased levels of security and stability for fund members through Pension Insurance Corporation Ltd (“PIC”), an FSA authorised and regulated insurance company; and Pension Corporation Investments LP Inc. (“PCI”). For further information please visit www.pensioncorporation.com