



## PENSION INSURANCE CORPORATION INSURES THE ARNOLD LAVER PENSION SCHEME: INNOVATIVE WAY TO ADDRESS DEFICIT

London, 30 September 2010 – Pension Corporation, the leading provider of risk management solutions to defined benefit pension funds, today announces that the Trustees of the Arnold Laver Pension Scheme (“the Scheme”) have entered into a pension insurance buyout agreement with Pension Insurance Corporation (“PIC”).

The Arnold Laver pension insurance buyout is notable for the use of a deferred premium. This represents a significant portion of the total premium and will be deferred over five years. The full level of member benefits is insured at the outset by PIC. This mechanism reflects the structure of the deficit recovery contributions agreed by the Trustees and sponsor after the previous valuation, which was designed to make good the pension deficit by 2015. The scheme has liabilities of £43 million and around 700 members.

Arnold Laver is the leading independent timber merchant in the UK with growing Leisure and Property businesses.

Mark Bower, Company Secretary, said:

“We have been delighted to work with PIC to implement an innovative long-term solution to the Scheme for the benefit of the members. At the same time it allows us to focus on the continued expansion of our business and remaining pension scheme arrangements.”

Nigel Petrie, Chairman of Trustees, said:

“Arnold Laver has a well deserved reputation for looking after its employees and I am very pleased that we have been able to work with PIC to structure an insurance solution for our pension scheme which brings safety and security to member benefits, but also works within the scheme’s existing recovery plan. The Trustees are extremely grateful to our advisers, Cobbetts LLP, Mitchell Consulting Limited and Pope Anderson LLP and the Company’s advisers, PwC, for their efforts in bringing a swift and satisfactory conclusion to this process.”

Matt Barnes, Senior Actuary, Pension Insurance Corporation, said:

“We are speaking to increasing numbers of trustees who recognise the benefits of removing some or all of the risk from their pension fund, yet feel unable to make a start due to a deficit in their funding position. We are very pleased to have been able to help Arnold Laver work around this seemingly intractable issue with the use of an innovative approach to the timing of payments.”

**For further information:**

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**About Pension Corporation**

Pension Corporation is a leading provider of risk management solutions to the trustees and sponsors of defined benefit pension funds. Its FSA authorised and regulated insurance company, Pension Insurance Corporation (“PIC”), brings safety and security to scheme members’ benefits through innovative, tailored solutions. PIC has £4bn in assets under management and has insured 50,000 pension fund members. Its solutions include pension insurance buyout, pension insurance buy-in and longevity risk insurance. It has transacted both the UK’s largest corporate and the first public sector backed pension insurance buyouts. Other clients include FTSE 100 companies and several multinationals. PIC is proud to work with pension fund trustees to maximise member benefits. For further information please visit

[www.pensioncorporation.com](http://www.pensioncorporation.com)