



PENSION INSURANCE  
CORPORATION

## PENSION INSURANCE CORPORATION INSURES FURTHER TRANCHES OF THE VESUVIUS UK PENSION PLAN

London, 21 January 2013 - Pension Insurance Corporation, a specialist provider of insurance solutions for defined benefit pension funds, has signed a second bulk annuity policy with the Cookson Group Pension Plan, now sponsored by Vesuvius plc following the recent demerger of Cookson Group plc, under which plan members who retire in each of the next three years will have their pensions insured on agreed terms. The first tranche of members, covering retirees between July 2012 and December 2013, will be insured in 2014 based on December 2012 market rates, removing price uncertainty from the Trustee's de-risking plans. The Trustee was advised by Aon Hewitt.

The insurance policy covers up to £30m of liabilities and follows the £320m pensioner buy-in announced in July 2012. The structure of this transaction is similar in scope to the innovative buy-in policy PIC put in place with the London Stock Exchange pension scheme in 2011, under which future retirees will be insured automatically over the following five years.

This transaction further develops a growing part of PIC's client portfolio, under which sponsors or trustees who have previously insured with the company insure further pension liabilities. This includes the Denso pension schemes, London Stock Exchange pension scheme and others.

Allan Course, Chairman of the Trustee, said: “We were very pleased with the flexibility and innovation that PIC showed in the completion of the initial pension insurance buy-in. We continue to work closely with Vesuvius to manage a gradual de-risking of the plan and the approach we developed with PIC and our advisors at Aon Hewitt enables us to achieve this. We are delighted to have locked in pricing for the first tranche of retirees. This removes volatility from the plan and allows us to develop our future strategy with confidence.”

Jay Shah, Co-head of Business Origination at Pension Insurance Corporation, said: “We are proud to have been able to help the Trustee secure the pensions of future retirees, a structure which has worked extremely well for other clients. We believe that by locking into pricing for 2014 today, the Trustee has been forward thinking and proactive in managing its pension plan risk.”

Paul Belok, Partner at Aon Hewitt, said: “The approach adopted here reflects the trend towards well planned de-risking programmes. Most schemes now are working towards lower risk and insurance is playing an increasing role in this.”

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#### **Notes to Editors:**

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#### **About Pension Insurance Corporation**

Pension Insurance Corporation (“PIC”) provides tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension funds. A market leader, PIC brings safety and security to scheme members' benefits through innovative, bespoke insurance solutions, which include deferred premiums and the use of company assets as part payment. PIC concluded the first UK public sector backed pension insurance buyout and is the only insurer to have secured accruing

benefits of active pension fund members. PIC has £6bn in assets and has insured more than 60,000 pension fund members. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised and regulated by the FSA. For further information please visit [www.pensioncorporation.com](http://www.pensioncorporation.com)

### **About Vesuvius**

Vesuvius is a global leader in metal flow engineering, developing, manufacturing and marketing mission-critical ceramic consumable products and systems to demanding applications, primarily in the global steel and foundry industries. Vesuvius also supplies fabricated precious metals to the jewellery industry in Europe and has significant precious metals recycling operations.