



Legal & General announces c£17m bulk annuity with John Good & Sons Limited Pension Scheme

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has agreed a c£17 million full scheme buy-in transaction with John Good & Sons Limited Pension Scheme (“the Scheme”), covering the benefits for over 80 pension scheme members.

The Scheme is an existing Legal & General client, with the Trustee having appointed Legal & General Investment Management (“LGIM”) as its fund manager in 2003.

Transaction preparation was an important part of the process for the Scheme which involved thorough data cleansing and de-risking of the Scheme’s assets into LGIM’s Buyout Aware funds. These funds are specifically designed for schemes approaching buyout, with an investment strategy which aligns with factors that affect buy-out pricing.

When market conditions moved favourably, the Scheme reacted quickly to enter a price lock to its LGIM Buyout Aware fund units. This process ensured that the Scheme had the price certainty it needed to then agree the terms of the buy-in and complete the transaction.

The Trustee was advised on the transaction by XPS Pensions Group, with legal advice provided by Arc Pensions Law.

Adrian Somerfield, Director, Legal & General Retirement Institutional

“This transaction is a great demonstration of the value which can be realised by using Legal & General’s group-wide expertise. We are delighted to have helped a long-standing client on their de-risking journey and look forward to continuing to build on this relationship as the scheme progresses to buyout.”

John Rutherford, Trustee

“We are very pleased to have reached this important stage in our journey to give our members greater security with a well-known and respected company. We have received excellent advice which has enabled us to achieve this in a safe and controlled manner.”

Paula Haughton, XPS Pensions Group, Risk Transfer Team

“This is a great example of a scheme gaining excellent pricing and price certainty during the transaction period, having put in significant work up front to prepare for buyout and through timely decision making.”

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With almost £1.3 trillion in total assets under management*, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

** at 31 December 2020*

About Legal & General Retirement Institutional

Legal & General Retirement Institutional (LGRI) works with trustees and sponsoring companies of defined benefit (DB) pension schemes of all sizes to settle their pension obligations and secure scheme members' benefits, through a full range of buy-ins, buyouts and other de-risking solutions.

Our UK Retirement annuity book stands at £87 billion as at 31 December 2020, of which £24.7 billion is invested in direct investments that deliver positive social and environmental impacts, such as clean energy and affordable housing.

Further information

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