



### Managing a DB scheme to closure

Set and executing a plan to wind-up over a medium term

£10m - £100m

Less than £10m is a tough challenge

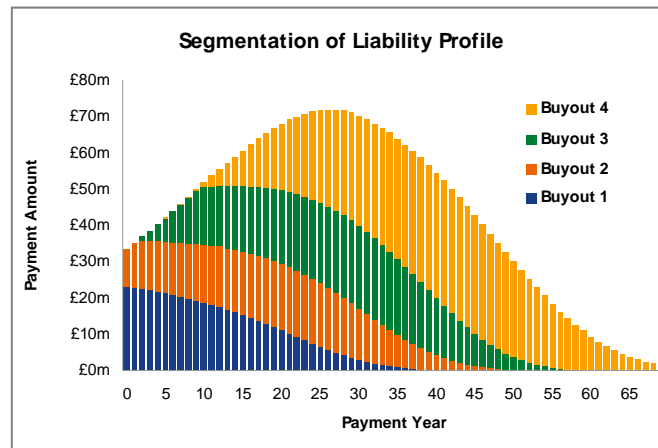
Above £100m is probably bespoke

Based on experiences over the last few years

Combination of many things

Practical

## Segmentation buy-out



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## What have we learned so far ?

Challenging for

- Trustees
- Company
- Advisers

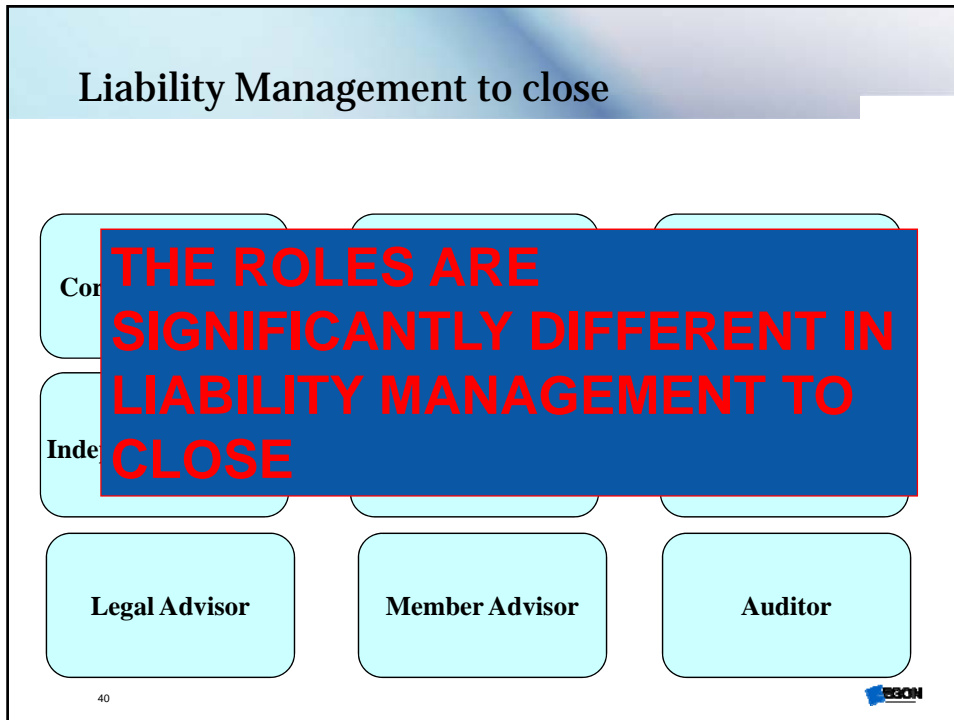
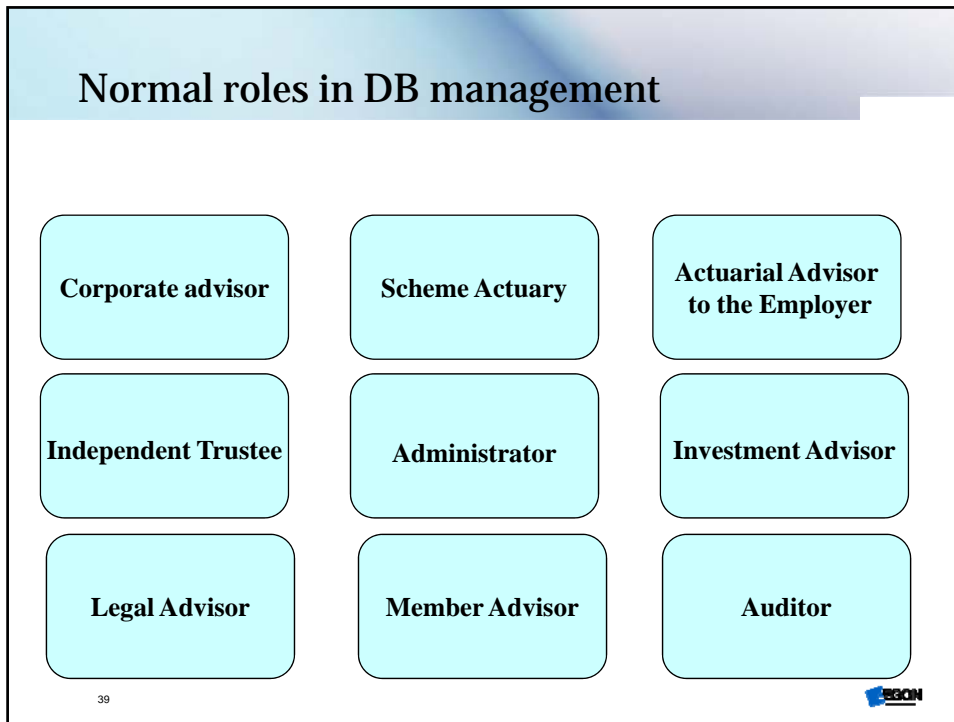
Forward planning about events a number of years hence

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# Pension Risk Transfer Seminar



## Roles in Liability Management to close

**Accessing funding**  
**Accessing assets**  
**Corporate Finance**

**Setting closure path**  
**Decision making**  
**Behavioural Finance**

**Appointment of**  
**specialists to execute**

**Member**  
**Communication &**  
**Member advice**  
**including ETVs**

**Data cleansing**

**Risk modelling**  
**Setting and**  
**executing triggers**

**Buy-out**  
**Buy-in**  
**Mortality lock**

**Investment advice**

**Trustee services**

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## Issues we have wrestled with

Moving from Trustee compliance to Trustee decision making

Specialist Corporate Trustee or standard Trustee board

Should the setting and execution of triggers be independent ?

Negative affirmation or positive affirmation

Illiquid asset transition

Inspecie transfers

Data update frequency

Price setting eg close of play

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## Issues we have wrestled with (cont'd)

Pre-setting assets to be triggered

Acceptance of mortality or other swaps onto balance sheet

No mortality lock...execution risk / delays

SSF vs. Buy-out ..... When is fully funded not fully funded

Lack of understanding on the premium for certainty

Focus on costs ....to focus on “value”

Understanding the “value” in risk mitigation

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## Summary

Very different

The management skills will develop

Likely to see “packaged” versions of specialists emerge

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## Pension Risk Transfer Seminar

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