

# CASE STUDY

EMPLOYEE BENEFITS DECEMBER 2017



BUYOUT TEAM | PPF+ BENEFITS SECURED |  
RAPID PROGRESSION FROM INSOLVENCY TO  
BULK ANNUITY TRANSACTION

## KEY FEATURES

Benefits secured in excess of PPF levels

High speed transaction,

**5 months**

Just insured the scheme

## JACQUES VERT PENSION SCHEME

Jacques Vert operated one of the UK's leading womenswear fashion retailers.

Jacques Vert historically operated two defined benefit pension schemes, and JLT acts as adviser to the Trustees on one of the Schemes, the Jacques Vert Pension Scheme. Following the administration and subsequent sale of the business to new owners at the start of June 2017, the Jacques Vert Pension Scheme entered an assessment period with the Pension Protection Fund (PPF).



### THE CHALLENGE

After the scheme entered the PPF assessment period the challenge was to establish whether benefits could be secured outside the PPF. The aim was to quickly lock-in, for the benefit of the members, an improved funding level to take advantage of the deficit contributions that had been obtained from the company prior to the June 2017 insolvency.

The trustees also wanted to minimise the time the members would have to wait until they started receiving benefits above PPF compensation. Further, they wished to take advantage of current competitive pricing that was found in the market.



### THE JLT SOLUTION

Working in conjunction with the professional Trustees, with their appetite to transact and clear processes in place for swift decision making:

- JLT's buyout and discontinuance teams worked closely with the trustees to run a broking process in parallel to the statutory PPF assessment and valuation process, to find the best and most rapid solution for the members of the scheme. This parallel operation reduced the timescales dramatically and curtailed the running costs sooner.

## ABOUT US

JLT Employee Benefits is one of the UK's leading employee benefit providers offering a wide range of benefit and pension services, including administration, actuarial and pension consultancy, investment, Self Invested Personal Pensions (SIPPs) and Small Self Administered Schemes (SSASs) administration, flexible benefits, healthcare, benefit communication and financial education.

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- By moving quickly, in advance of the Christmas period, it proved possible to broker a transaction on good terms which was vital for the future level of members' benefits and for progressing the winding up of the scheme.



## WHAT WAS THE OUTCOME?

- A bulk annuity was secured with Just
- The benefits secured under this policy were significantly higher than the benefits that members would have received from the PPF and stand to be enhanced (at no risk to the Scheme) through medical underwriting
- The transaction was completed quickly from a standing start, just 5 months after the PPF assessment period began
- The winding up of the scheme is expected to be fully completed in the summer of 2018, with an uplift to members' benefits occurring at that time

## WHAT THE INSURER SAID

Just said "We understood the importance of moving quickly and by working with JLT and the trustees were able to provide the trustees and members the certainty and security required. Our medical underwriting expertise will be used to understand the membership further, which could lead to enhancing the members benefits."

## WHAT THE CLIENT SAID



*Christopher Baker, chair of trustees, said "Given the turbulent events of the past couple of years, the trustees are pleased that we have been able to obtain security for the members with an insurance company at a level above that which the PPF would have paid." John Oldland of Pi Consulting (Trustee Services) Limited (acting as co-trustee to the scheme) said "Once the PPF assessment period had started, the pressing need became to deliver the maximum level of benefits above the PPF level, as quickly and efficiently as possible. JLT and Just have helped us to achieve this."*