

THE FAST TRACK TO GETTING AN INDICATIVE BUY-IN OR BUY-OUT QUOTE

ACCESSIBLE FEASIBILITY QUOTATIONS

July 2021

Why plan in the dark?

Bulk annuities are the end goal for many pension schemes, with 50% expected to reach buy-out over the next 20 years (according to 'Future demand and outlook for the bulk annuity market', Hymans Robertson, April 2020). However, engaging insurers, particularly for smaller schemes, can sometimes be a struggle.

Independent research commissioned by Just (Freespirit, January and February 2021) highlighted that some professional trustees would find it valuable to have early indicative pricing. This lets them plan with their sponsor, knowing the scale of any contribution needed.

Introducing our accessible feasibility quotations (AFQs) – fully modelled indicative quotations with no strings attached, including bespoke longevity loadings from reinsurers. These have been designed to provide help, early on in the process, for schemes who want to know if a bulk annuity is feasible or to support conversations with sponsors on necessary contributions. We understand that schemes wanting an AFQ might not be ready to purchase a bulk annuity, but the hope is that the AFQ helps them get there.

What are the benefits of our accessible feasibility quotation?

It's a fast track that lets you get an indicative buy-in quote with minimal effort. Just supply member data and benefit details in our standard Excel format.

Simple – you provide member data using our Standard Data Template spreadsheet.

Accessible – we only need member data that should be readily available for schemes seriously considering a buy-in. The data should already be of a quality that will make the quote meaningful.

Fast – we'll normally supply our indicative quote within six weeks of getting the information we need.

Accurate – our quotes are indicative and not guaranteed, but they are fully modelled and reflect our pricing.

No strings – quotation provided with no requirements to exclude other insurers, trustees are free to run an open-tender process if the transaction proceeds.

“We've listened, and that's why our accessible feasibility quotation is available to make it quick and easy for DB pension schemes to secure a bulk annuity quote.”

Peter Jennings, Business Development Manager

Getting your AFQ – what data we need and who to contact?

First steps

It's normal for trustees to discuss this service with their actuarial or de-risking consultant, but we are also happy to talk through the process.

Before any data is shared, it is essential that a GDPR compliant non-disclosure agreement is in place. Speak to your Business Development Manager (BDM) or email dbenquiries@wearejust.co.uk.

You can download our Standard Data Template [here](#). This simple Excel workbook covers the data we need. This will be standard information that your administrator should have to hand, so should be easy for them to provide.

Getting your indicative price

Speak to your BDM to agree current timescales. If you decide to proceed, complete the Standard Data Template and send it to your BDM. We will send your fully modelled quotation within the agreed time frame.

Please note

Receiving an AFQ does not mean that we will subsequently provide a guaranteed quote. However, trustees can use the AFQ to show that a bulk annuity transaction is affordable and their stakeholders are in support of purchasing a bulk annuity. This would significantly strengthen the chances we'll provide a guaranteed quote if you want to proceed.

FOR MORE INFORMATION

Please speak to your usual BDM contact or Peter Jennings.

Phone: **01737 827 381**

Lines are open Monday to Friday, 9am to 5pm. Call charges may apply.

Email: Peter.Jennings@wearejust.co.uk

Visit our website: [wearejust.co.uk/definedbenefit](https://www.wearejust.co.uk/definedbenefit)

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