



Legal & General completes third and final buyout with the Nortel Networks UK Pension Plan

- *Third transaction and final buyout insures the final tranche of Plan members' benefits.*
- *Legal & General has now insured £2.5 billion of the Plan's liabilities.*
- *This builds on Legal & General's long-standing relationship with the Plan. The Plan completed its first transaction with Legal & General in 2018 to secure benefits in excess of PPF levels for members.*

Legal & General Assurance Society Limited ("Legal & General") today announces that it has completed a buyout with the Nortel Networks UK Pension Plan ("the Plan"). This third transaction insures the final tranche of Plan members' benefits. It consisted of a £14 million initial premium and was followed by a £6 million top-up on buyout. Legal & General has now insured £2.5 billion of the Plan's liabilities.

The Plan's sponsor went into administration in 2009 and entered a Pension Protection Fund (PPF) assessment. While in assessment the Plan was able to secure material additional funds from the Nortel insolvency process to improve member benefits. The Plan agreed its first transaction with Legal & General in 2018 when it completed a [£2.4 billion buyout](#) to secure the benefits in excess of PPF levels for members. The initial transaction included provision to secure additional benefits for members on receipt of further recoveries from the Nortel insolvency process, and was followed by a [£105 million buyout](#) with Legal & General in 2021.

The Trustee was advised on the transaction by Isio, with WTW acting as scheme actuary and legal advice was provided by Travers Smith and Pinsent Masons. PWC and Hogan Lovells provided advice regarding financial recoveries for the Plan. Legal advice was provided to Legal & General by Clifford Chance.

Dominic Moret, Head of Origination and Execution, UK PRT, Legal & General Retirement Institutional

"This transaction marks a significant milestone in the Plan's journey since 2009 and is testament to the work carried out by the trustee board and their advisors to secure funds from the insolvency process. The collaboration, flexibility and foresight shown by all parties enabled the Plan to complete a ground-breaking initial transaction in 2018 with the ability to secure additional benefits through follow up transactions. We are proud to be providing financial security and certainty to Plan members.

"These transactions serve as excellent examples of the positive role that insurers are playing in securing, protecting and delivering pensions in the UK."

Clive Gilchrist, Chair of Trustees

"I am delighted that after fifteen years of hard work by the trustee board and advisers we have completed the final buy out, having successfully recovered significant funds to provide members with benefits well above PPF levels. I would like to thank everyone concerned for their efforts."

-ENDS-

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 £1.2 trillion in total assets under management¹ of which 40% is international. We have a unique and highly synergistic business model, which continues to drive strong returns. Legal & General provides powerful asset origination and management capabilities directly to clients, which also underpin our leading retirement and protection solutions. We are a leading international player in Pension Risk Transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Our purpose is to improve the lives of our customers and create value for our shareholders. Through inclusive capitalism, we are investing in long-term assets, such as real estate and infrastructure, that can help build a better society for the future.

About Retirement Institutional (LGRI)

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 Client Services' 12-month rolling Net Promoter Score (NPS) is above +70, which is widely regarded as being at a "world class" level. Legal & General is the UK's longest-standing active bulk annuity provider.

Our UK Retirement annuity book stands at an estimated £86.1 billion at 31 December 2023. Across the group over £30 billion is invested in direct investments that deliver positive social and environmental impacts, such as clean energy and affordable housing. Legal & General provides income and pension security to more than a million retirement customers around the world.

Further information

Name: Sinead Andrews

Role: Communications Manager

Division: Legal & General Retirement Institutional

Tel: 07384452353

Email: Sinead.andrews@landg.com

¹ Data as at December 2023.