



Legal & General agrees a c.£110 million buy-in with the Civil Aviation Authority Pension Scheme

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has agreed a c.£110 million buy-in transaction with the CAA Section of the Civil Aviation Authority Pension Scheme (CAAPS) (“the Scheme”).

This transaction marks the Scheme’s first Pension Risk Transfer (PRT) transaction with Legal & General and has been established as an umbrella contract, to enable smooth facilitation of any future transactions.

The Scheme has a long-standing relationship with Legal & General, as Legal & General Investment Management (“LGIM”) has managed various CAAPS assets for more than 30 years.

The Trustee was advised on the transaction by Aon and legal advice was provided by Reed Smith. Legal advice was provided to Legal & General by CMS.

Gavin Smith, UK Head of Pricing and Execution, Legal & General Retirement Institutional

“I am pleased we were able to secure the pension benefits for a long-standing Legal & General client. We look forward to working closely with the Civil Aviation Authority Pension Scheme Trustee as they continue to insure the Scheme’s remaining pension liabilities. Providing umbrella contract solutions enables pension schemes to continue moving effectively and strategically, to complete their de-risking journeys, when favourable conditions arise.”

Joanna Matthews, Chair of the Trustee

“This transaction takes us a step closer to achieving our long-term aim of de-risking the CAA Section of the Scheme. We are delighted to expand our relationship with the Legal & General Group, who demonstrated flexibility to meet our needs along with competitive pricing.”

Karen Gainsford, Principal Consultant, Aon

“Following on from the previous transactions totalling £1.8bn, this transaction fits with the Scheme’s policy of seeking opportunities to de-risk over a period of time, and using a phased approach to insuring members’ benefits. We monitored a number of key metrics for the Scheme through a regular dashboard to determine when the time was right to go to market, and we were able to transact efficiently once the opportunity arose.”

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 over £1.1 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.

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 de-risking solutions. We work closely across divisions in the Legal & General Group, which has to date invested £26 billion in real assets including urban regeneration, clean and low-cost energy, housing and transport links.

Further information

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