

'Decommissioning' Private Sector Defined Benefit Pension Schemes

Summer Conference 2010

Invitation



PENSION CAPITAL STRATEGIES LTD
Innovative Alternatives

Welcome

We are delighted to invite you to our Summer conference which focuses on the options available to employers and trustees for managing defined benefit pension risks, and the elements of successful end game planning for schemes closed to new entrants and/or to future accrual which are, in effect, in the process of being discontinued.

We are pleased to confirm that, having seen the Agenda, the Pensions Management Institute (PMI) have stated that attendees will be able to claim up to 25 credits for the PMI's Continued Professional Development programme. In addition, upon request, we will issue a Certificate of Attendance to any trustees attending, stating that the event also counts toward their ongoing Trustee Knowledge and Understanding (TKU) commitments.

The conference will also mark the formal release of the results from our latest survey into 'end game planning', and all delegates will receive a complementary copy of our survey report containing highlights of the survey results and commentary on their implications for sponsors and trustees.

In the current economic and financial environment, it is more important than ever that trustees and employers understand the risks associated with defined benefit pensions and the alternative ways that these risks can be effectively managed, or even removed. For the many schemes that are closed to new members, and the growing number where benefit accrual has ceased altogether, it is equally imperative that the right exit strategy or, as we call it, 'decommissioning' programme is put in place. Otherwise, unnecessary time, effort and money will be expended, and trustees, employers and members will be more exposed to unforeseen circumstances.

We have designed the content of the conference to give both employers and trustees something new to take away with them. Delegates will gain a better understanding of, and valuable insight into understanding and controlling, the pension risks to which companies and trustees are exposed. Trustees and sponsoring employers will leave much better equipped to manage the process leading to the final settlement of their pension liabilities – whenever that may be.

We look forward to seeing you on the day.



Our approach to our client's Decommissioning Strategys has been recognised in the Risk Management Firm of the Year and European Pension Innovation Award 2010 categories of the forthcoming European Pension Awards 2010.

Introduction

Against a backdrop of unprecedented growth in pension scheme 'de-risking' activity and the acceleration in the number of defined benefit (DB) schemes closing their doors to both new and existing members, we conducted a survey into pension scheme 'end game planning' at a previous round of conferences.

Trustees and employers representing DB schemes with a range of asset values answered questions on their scheme's End Game Plan. The results have been analysed and a report including their significance for employers and trustees is currently being drafted ready for launch at the conferences.

'Decommissioning' – the process of dismantling or removing something from service – is a term more commonly associated with physical objects. It is equally apt in the context of pension schemes which have closed or are closing to some or all members and which are, therefore, in the process of being discontinued.

The decommissioning process may be a long one which often commences with steps to 'de-risk' (such as buy outs, buy ins, and liability management exercises). Without a formal programme, it could have potentially toxic results – at least, from a financial perspective.

The object of our report and conference is, therefore, to help sponsoring employers and trustees to devise the most appropriate decommissioning programme for their particular scheme.

Through a combination of presentations and workshops, led by a panel of expert speakers (including members of our consulting team and industry specialists), delegates will also be provided with:

- an informed commentary on the survey results and what they mean;
- practical information and advice on the options for managing the risks posed by DB pension schemes;
- guidance on putting in place an appropriate framework for successful end game planning; and
- details of our products and services, which can assist employers and trustees with their decommissioning programme.

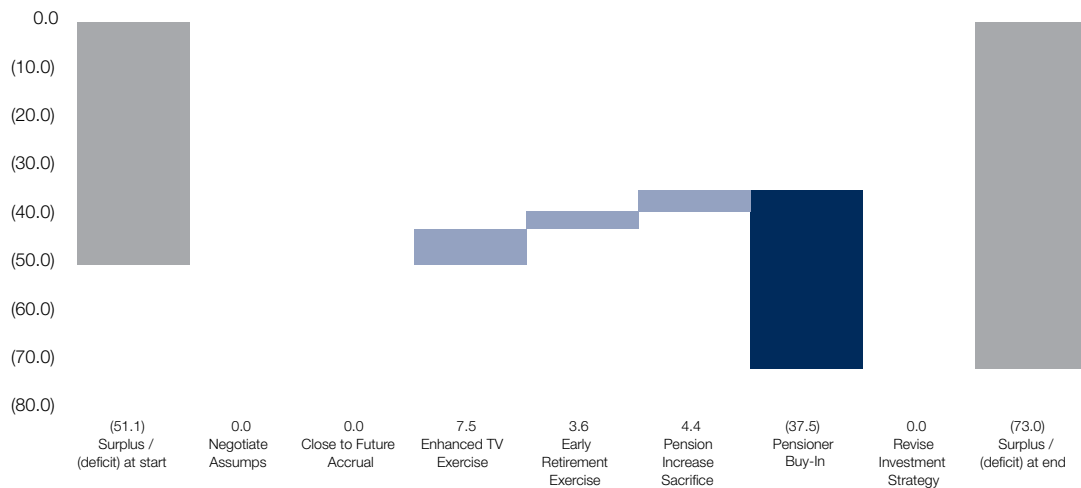
Agenda

Timetable (Except for Leeds)	Session Description	Timetable for Leeds only
08.45 – 09.15	Coffee and registration	12.15 – 12.45
09.15	Introduction	12.45
09.20	End Game Survey – key findings and implications	12.50
09.30	De-risking your pension scheme – a Risk Management Model <i>– discussing the options available and introducing a simple way to see whether these will work for your scheme</i>	13.00
10.00	Breakout sessions - Choose either: Session A – Enhanced Transfer Values and other Cash Inducement Exercises <i>– experience so far – analysing the effectiveness of these risk management tools on scheme funding (this session will also explore the role of the IFA on this aspect of de-risking)</i> Session B – Risk Transfer Market – where are we now? <i>– an update on a rapidly evolving market place, identifying current opportunities in a challenging financial climate</i>	13.30
10.35	Coffee	14.05
10.50	Decommissioning your pension scheme – a decommissioning programme <i>– including an introduction to our new Targeted Funding Model</i>	14.20
11.25	Breakout sessions - Choose either: Session C – Using longevity swaps to stabilise your funding position <i>– a panel discussion unravelling the complexities of longevity swaps</i> Session D – Getting ready for decommissioning – actions for sponsors and trustees	15.05
12.00	Conclusions	15.40
12.20 – 13.30	Buffet Lunch/Dinner	16.00 – 17.00

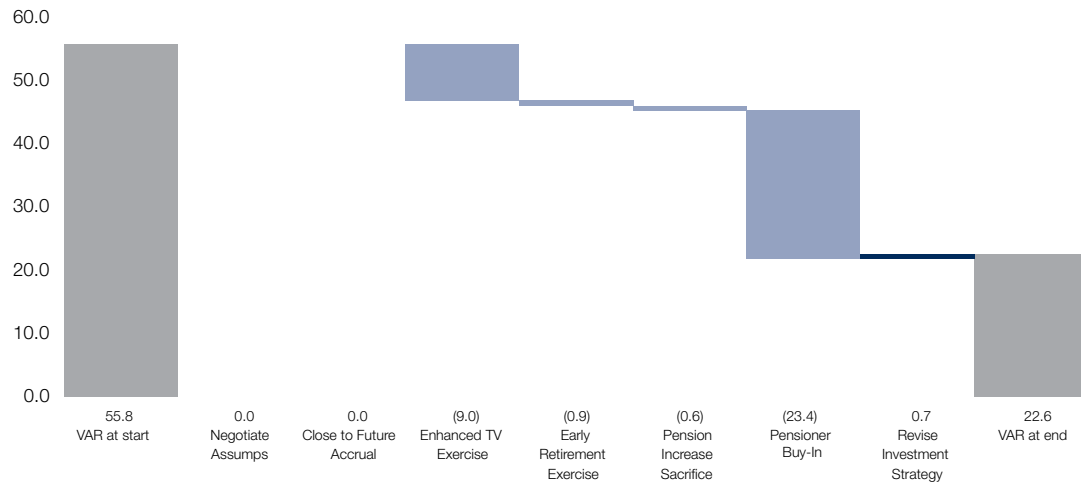
Modellers

Example of output from our Scheme De-risking Impact Modeller, one of a number of tools we will be demonstrating during our conference designed specifically to help scheme sponsors and trustees make the most cost effective and efficient decisions during the decommissioning process.

Effect of actions on funding position



Effect of actions on value at risk



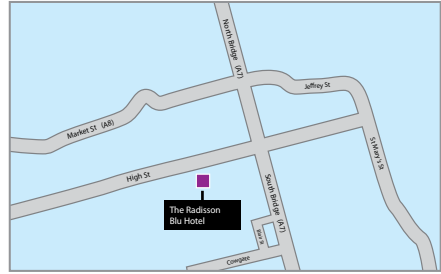
Locations

Edinburgh, Wednesday 9th June 2010

The Hotel is close to many local bus routes including, the airport bus link, and is a 5 minute walk from Edinburgh Waverley train station via Cockburn Street, Carrubbers Close or North Bridge.

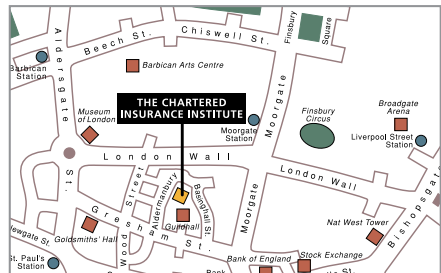
By Car: The Radisson Blu Hotel is approximately 9 miles from the M8, 11 miles from the Forth road Bridge and 42 miles from J13 of the A74.

The Hotel car park is located on Blackfriars Street on the East side of the hotel. Please note this is a one way street and can only be accessed from The Cowgate.



London, Friday 11th June 2010

The CII Insurance Hall is easily accessible via the following underground and Network Rail stations: **Moorgate** – for the Northern, Metropolitan, Hammersmith & City and Circle Lines and First Capital Connect Great Northern Route. **Bank/Monument** – for the Central, Northern and Waterloo and City Lines. **Mansion House** – for the Circle and District Lines.



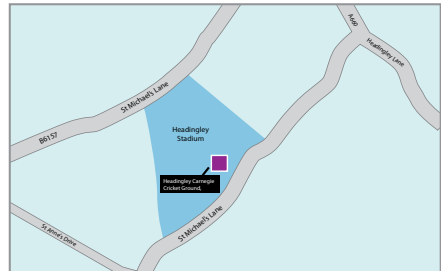
Leeds, Thursday 17th June 2010

By Car: The stadium is signposted from Junction 2 of the M621: **M1 South** leave at **Junction 43** to take the M621 as far as Junction 2. **M62 West** leave at **Junction 27** to take the M621 as far as Junction 2. **M62 East** leave at **Junction 29** to join the M1 northbound to Junction 2 of the M621.

From the North.

All routes into Leeds lead to the Outer Ring Road, from where the stadium is signposted.

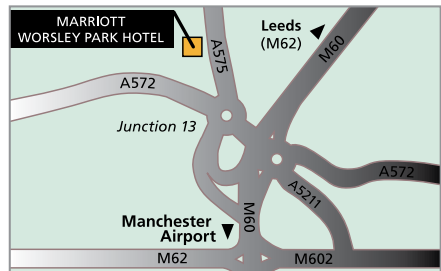
By Rail: **Leeds City Station:** 10-15 minute taxi ride, **Headingley Station:** 10 minute walk, **Burley Park Station:** 5 minute walk.



Manchester, Friday 18th June 2010

From the South – Take the M6 then the M62 which becomes the M60 heading towards Leeds. Exit at J13 signposted Worsley. Go straight on at the first roundabout. Take the A575 and the hotel is 400 yards on the left.

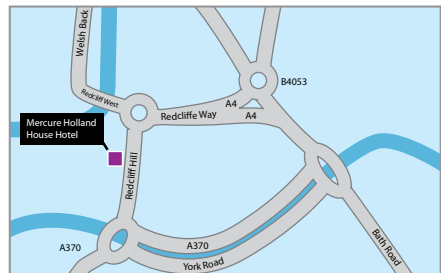
From the North – Take the M60 and exit at J13. Take the fourth exit, the A572 towards Leigh. Take the third exit at the next roundabout. Follow the A575 and the hotel is 400 yards on the left.



Bristol, Friday 25th June 2010

By Car: From the M32, follow the A4032 towards the City Centre, turn left into A4044 and right at the A4, then onto the A370. At the roundabout, take the fourth exit to the A38 and Redcliffe Hill where you will find Holland House Bristol. Hotel Car Park located at the rear of the Hotel and can be accessed from Guinea Street (turn right) or Redcliffe Parade East (turn left).

By Rail: Bristol Temple Meads train station, which is a 5 minute walk from the hotel.



Birmingham, Tuesday 29th June 2010

By Car: The National Motorcycle Museum is located at the centre of the national motorway network. The museum is just 8 miles (13km) east of Birmingham City Centre and is located directly on the J6 island of the M42, opposite the NEC and just five minutes from Birmingham International Airport and Railway Station. The M42 has direct connections to the M1, M5, M6, M6 Toll and M40.

By Rail: Birmingham International Railway Station is five minutes taxi ride away.



Booking Form

You can book online at www.jltsurveys.com/conferencebooking.
Alternatively, simply complete and return the this form to:

Angie Moors, JLT Benefit Solutions, 36 Ridgmont Road, St Albans, Hertfordshire, AL1 3AB.
Or fax on 01727 775100.

For the forthcoming 'Decommissioning' Private Sector Defined Benefit Pension Schemes conference, please reserve:

Date	Registration	Venue	Places Required
Wednesday 9th June 2010	08.45 – 09.15	Radisson Blu Hotel, 80 High Street, The Royal Mile Edinburgh EH1 1TH	
Friday 11th June 2010	08.45 – 09.15	The CII Insurance Hall, Aldermanbury, London EC2V 7HY	
Thursday 17th June 2010	12.30 – 13.00	Headingley Carnegie Cricket Ground, St Michaels Lane, Headingley, Leeds LS6 3BU <i>Immediately following the conference, delegates are invited to join us in the Headingley Pavilion to watch Yorkshire Carnegie play Lancashire Lightning in a Twenty/20 Cricket match. To reserve a seat, please confirm whether you wish to join us.</i>	
Friday 18th June 2010	08.45 – 09.15	Marriott Worsley Park Hotel, Manchester M28 2QT	
Friday 25th June 2010	08.45 – 09.15	The Mercure Holland House Hotel & Spa, Redcliffe Hill, Bristol BS1 6SQ	
Tuesday 29th June 2010	08.45 – 09.15	The National Motorcycle Museum, Solihull B92 0EJ	

In the first round of breakout sessions, please reserve:

Session	Title	Places Required
A	Enhanced Transfer Values and other Cash Inducement Exercises – experiences so far	
B	Risk Transfer Market – where are we now	

In the second round of breakout sessions, please reserve:

Session	Title	Places Required
C	Using Longevity Swaps to stabilise your funding position	
D	Getting ready for decommissioning – actions for sponsors and trustees	

Contact details:

Name (Mr/Mrs/Miss/Ms) _____
Position _____
Company name _____
Company address _____

Postcode _____
Telephone _____
Email _____

I am unable to attend the conference but would like more information about this subject

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