



Legal & General announces £100 million bulk annuity with the Countrywide Farmers Retirement Benefits Scheme

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has agreed a £100 million bulk annuity transaction with the Trustee of the Countrywide Farmers Retirement Benefits Scheme (“the Scheme”), securing the benefits of 360 deferred members and 712 retirees.

The Scheme entered Pension Protection Fund (PPF) assessment in March 2018 following the insolvency of Countrywide Farmers Plc. In November 2019 the Scheme exited PPF assessment as it had sufficient assets to fund the PPF’s levels of compensation.

This transaction has enabled the Trustee to secure benefits with Legal & General that are greater than those which would have been provided by the PPF. It also provides the flexibility for additional benefits to be secured in the future, as the Trustee expects to receive additional recoveries from the ongoing insolvency proceedings.

The Trustee was advised on the transaction by LCP. Legal advice was provided to the Trustee by Gowling WLG and Osborne Clarke LLP. Clifford Chance provided legal advice to Legal & General.

“We are pleased that we have been able to deliver this transaction which provides greater financial security for the Scheme’s members. We have worked closely with LCP to develop an innovative solution for the Scheme, and we look forward to our continued work together with the Trustee and its advisers.

This transaction builds on Legal & General’s track record of delivering beneficial outcomes for members by enabling pension schemes to exit the PPF, which includes the £2.4 billion transaction with the Nortel Networks UK Pension Plan in 2018.”

Rachel Cutts, Origination & Execution Director, Legal & General Retirement Institutional

“We appointed LCP to provide specialist PPF+ advice to help us optimise outcomes for members of the Countrywide Farmers Scheme. With LCP’s expertise in structuring PPF+ solutions, and competitive pricing and flexibility from L&G, we have secured benefits for members that are far higher than we could have hoped for when we started out on this journey.”

Hetal Kotecha, Director, Independent Trustee Services

“We are delighted to have helped the Trustee to deliver retirement certainty to members of the Countrywide Farmers Scheme, following the insolvency of Countrywide Farmers plc. Working closely with L&G, we designed a structure to enable the Trustee to secure terms up-front for benefits over PPF levels, with the ability to top up members’ benefits when further recoveries are received during the insolvency proceedings. The policy gives the Trustee significant flexibility if the insolvency proceedings take time to resolve.”

Richard Mills, Partner, LCP

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.

About LCP

LCP is a firm of financial, actuarial and business consultants, specialising in the areas of pensions, investment, insurance and business analytics. LCP offers clients better control over the financial future of their pension plans with intuitive, real-time technology. Visit www.lcpvisualise.com or www.lcphorizon.com for more information.

The firm has more than 700 staff based at locations in London, Winchester, Ireland, and – operating under licence – the Netherlands.

We believe that our biggest strength is our people – and client feedback tells us the same. We are home to talented, well-recognised industry experts, and we are committed to ensuring a bright and interesting future for our gifted group of graduates, analysts, consultants and principals, to join our ever-growing partnership.

Further information

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