
Manweb Group and Abbey Life complete £1bn pension risk transfer

By Editorial Staff *Thu, Aug 11, 2016*

The deal is structured as a tri-partite insurance policy between Electricity Pension Trustee Limited, Manweb (a unit of Scottish Power, which is a unit of Iberdrola) and Abbey Life, according to IPE.com.

In a pension risk transfer deal, Manweb Group, an electric power company in the UK and a participant in the £32bn Electricity Supply Pension Scheme (ESPS), has agreed to pay Abbey Life, a subsidiary of Deutsche Bank, £1bn, to assume the longevity risk of 4,000 of its members.

The deal is structured as a tri-partite insurance policy between Electricity Pension Trustee Limited, Manweb (a unit of Scottish Power, which is a unit of Iberdrola) and Abbey Life, according to *IPE.com*. Mercer acted as the lead advisor on the transaction.

The deal was announced days after Legal & General transferred some of the longevity risk associated with its bulk annuity business to Prudential Retirement Insurance and Annuity Company, citing uncertainties created by the Brexit vote.

Prudential said its ability to transfer risk was “unaffected” by the vote to stay out of the European Union.

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