Pacific Life announces new pension de-risking product

By Editor Test *Thu, Feb 28, 2013*

The product is intended to enable plan sponsors "to de-risk their pension obligations and stabilize their corporate balance sheets and income statements without affecting plan termination, said a Pacific Life executive in a release.

Pacific Life has added a new product, Pacific Secured Buy-In, to its suite of "pension de-risking" products, the Newport Beach, Calif., company said in a release.

The product is intended to enable plan sponsors "to de-risk their pension obligations and stabilize their corporate balance sheets and income statements without affecting plan termination, said Richard Taube, vice president, Institutional & Structured Products for Pacific Life. He recommended it "for plan sponsors who want to de-risk… without recognizing settlement losses."

Pacific Secured Buy-In allows the plan sponsor to transfer all future obligations to Pacific Life by converting its plan to a Pacific Transferred Buy-Out contract at any time and at no cost, the release said.

Pacific Life's risk-transfer products also include Pacific Insured LDI, a "guaranteed alternative to best-efforts liability-driven investing strategies." Launched last year, it guarantees plan sponsors a match between plan assets and plan liabilities without requiring an up-front payment like a buy-in or buy-out product, and without triggering settlement losses.