

# **ARCADIA GROUP PENSION BENEFITS SECURED WITH AVIVA IN £850 MILLION DEAL**

**10 February 2023:** The Trustees of the Arcadia Group and Arcadia Group Senior Executive Pension Schemes have agreed a buy-in with Aviva, securing benefits for 8,800 members.

Aviva was selected following a robust insurance market review and a competitive and comprehensive selection process. The first important milestone of this deal, securing a buy-in with Aviva, was completed on 3 February 2023 with an initial premium payment of £850 million.

Aviva will provide members of the Arcadia Group Pension Scheme with the full Scheme benefits that they would have been entitled to if the insolvency and Pension Protection Fund (PPF) assessment period had not taken place.

For the Arcadia Group Senior Executive Pension Scheme, pensions have been secured at the level they would have been in 2022 if the insolvency and PPF assessment period had not happened. Further work is being carried out to determine the future level of pension increases for members of the Arcadia Group Senior Executives Pension Scheme. Members will be updated at the earliest opportunity.

**Alda Andreotti, Chair of Trustees**, said:

“This is a positive development for members, securing their benefits for the long-term. Members will receive benefits based on their Arcadia Scheme pension, rather than receiving compensation from the PPF.

“This transaction is the result of our commitment to achieving the best outcome for members and I would like to thank all parties who collaborated with us. This includes our professional advisers, The Pensions Regulator and the PPF who have offered their guidance, support and reassuring protection to the Schemes during these challenging times.

“The Trustees are extremely pleased with this substantial development and we have already updated members directly on what the buy-in means for them. Our hard work will now continue to maximise the benefits for all members and prepare the Schemes for buy-out.”

**Jamie Cole, Head of Bulk Purchase Annuity Origination at Aviva**, said:

“We are delighted to be securing the benefits of more than 8,000 members of the two Schemes, providing security for members, and we look forward to welcoming them as Aviva customers once the buy-out is complete. The Trustees’ goal of securing the best outcome for members and strong collaboration between parties helped achieve a smooth transaction.”

**Dan Collins, Relationship Manager at the PPF** said:

“Our role is to provide reassurance and support to the members of the schemes we protect at a worrying time, and it is great to see such a positive outcome. Arcadia members can be assured of our continued support throughout this transition phase.

“Our sincere thanks to the Trustees and their advisers for collaborating with us so effectively to achieve it.”

**Simon Bramwell, Risk Transfer Partner at Barnett Waddingham, said:**

“Reaching this significant milestone for the members is testimony to the hard work of the Trustees and all the parties who have collaborated on the transaction. We are very pleased to have been involved in this important process for the Schemes. Now we look forward to supporting the Trustees in preparing the Schemes for buy-out and continuing our work together to achieve innovative solutions and the best outcome for members.”

The Trustees of the Arcadia Group Pension Schemes were advised by:

- Barnett Waddingham - actuarial, investment and risk transfer advisers for both Schemes, as well as providing administration services.
- Gowling WLG – legal advisers for both Schemes.

The Trustees have received support and guidance from both The Pensions Regulator and the Pension Protection Fund throughout this process.

-ENDS-

### Notes to Editors

1. Arcadia Group became insolvent on 30 November 2020 and the Schemes entered a PPF assessment period from that date.
2. Both Schemes remain in a PPF assessment period at present. The Trustees will be contacting members in the coming months to update them on the conclusion of this process, as well as providing more information on the impact of the buy-in on their benefits.
3. Breakdown of the membership:

	Arcadia Group Pension Scheme	Arcadia Group Senior Executives Pension Scheme
Deferred members	4,522	136
Pensioner members	3,824	328
Total membership	8,346	464

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### For members:

Your account will be updated with further information including a letter and FAQs. Please check your email.

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