

HEALTH WEALTH CAREER

# MERCER PENSION RISK EXCHANGE®

BULK ANNUITIES



MAKE TOMORROW, TODAY

 MERCER



## INTRODUCING TO IRELAND MERCER PENSION RISK EXCHANGE®

- Access the information you really need to set strategy for your defined benefit pension scheme.
- Receive regular scheme-specific pricing - for example, monthly or quarterly - for a pension buy-in and/or buyout, and monitor how it develops over time.
- Use metrics to compare insurer pricing with your scheme's funding and accounting positions, and receive notifications whenever your own defined targets are hit.
- Obtain pricing that is produced for you directly by insurers, not estimated by your advisors.
- Be in a position to act fast to avoid missing opportunities.

Sponsoring employers and trustees need and value robust information on their defined benefit (DB) pension scheme's true financial position and how it is developing over time. They need this information to be up-to-date, produced regularly and provided at low cost.

This becomes even more important when a buy-in or buyout is being seriously considered. Sponsoring employers and trustees need to know that they are doing the right thing, at the right time, in managing their pension obligations. They require high-quality, regularly produced information on insurance pricing and terms.

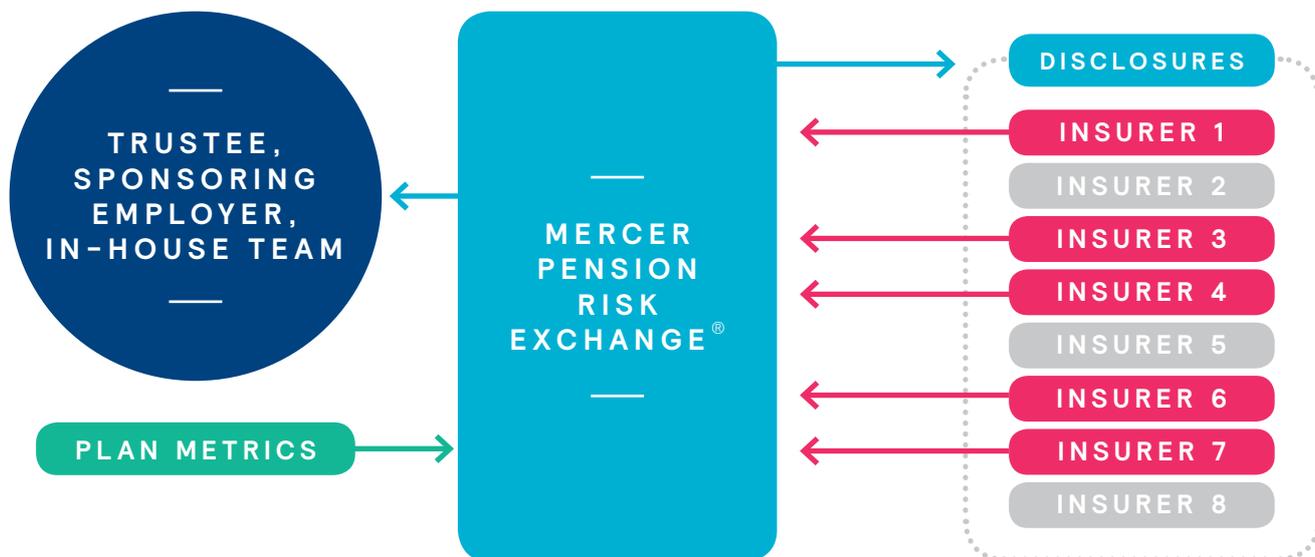
The Irish pension buy-in and buyout market has not always lived up to these ideals. On occasion, insurer pricing has been difficult to obtain quickly and cheaply. Regular monitoring of accurate insurer pricing has

tended to require a bespoke approach, which has sometimes not been easy to maintain for lengthy periods.

**Mercer Pension Risk Exchange solves these problems.** Better still, it brings real clarity to the Irish pension buy-in and buyout market by supporting a two-way information flow between buyers and sellers. The Exchange provides the information that everyone needs, presented in a coherent way online, instilling the confidence needed for sponsoring employers and trustees to act decisively.

**The Exchange helps sponsoring employers and trustees of DB schemes act with confidence by sourcing pricing and terms directly from insurers on a regular basis for a future buy-in or buyout.**





## PRICES OBTAINED VIA THE EXCHANGE ARE CLOSE TO ACTUAL TRANSACTION PRICES

The Exchange sources pricing produced directly by insurers, not estimated by Mercer. This is real-life insurer pricing, not indicative pricing. It's like receiving a range of formal bids from insurers – usually monthly or quarterly and, if you need it, starting more than a year before you plan to transact.

The pricing and transaction terms provided by insurers through the exchange are based on full transaction-quality scheme information covering the scheme's benefit structure and individual member data as well as the Scheme's funding position and financial goals – the same disclosures Mercer uses when sourcing formal bids for transaction projects.

Mercer Pension Risk Exchange should be considered for any pension scheme looking at a buy-in or buyout in the short term or up to one to two years away.

The Exchange is a transparent online platform bringing together buyers and sellers of pension buy-ins and buyouts. This facilitates the discovery of opportunities in a way never seen before.

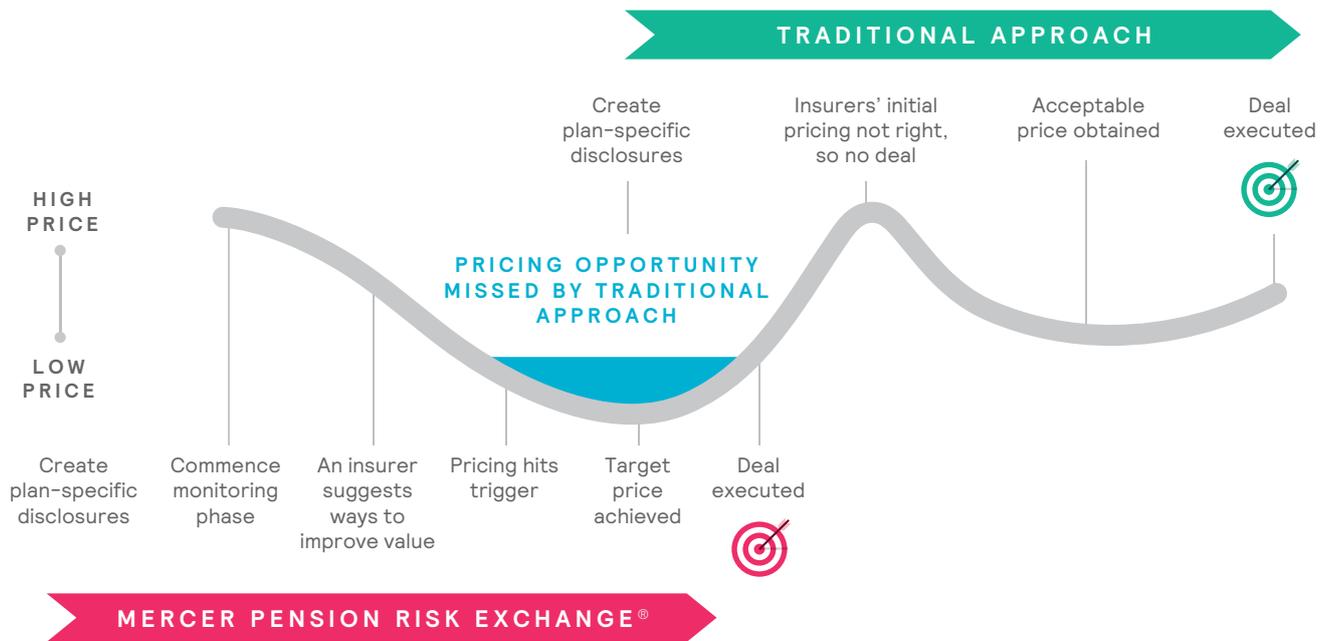
- Allowing insurers to see your scheme's details directly permits insurers to make exclusive proposals that you would not otherwise obtain.
- The Exchange assists in both decision-making and selecting the optimal timing for a future buy-in or buyout, improving outcomes.
- The majority of insurers active in the Irish bulk annuity market support the Exchange.
- Producing the scheme-specific disclosures upfront permits faster decision-making and deal execution, allowing sponsoring employers and trustees to take

advantage of often-fleeting windows of opportunity.

- The Exchange is the only platform that provides genuine scheme-specific pricing by insurers, and facilitates monitoring of this pricing against your scheme's own liability values.

### THE EXCHANGE SUPPORTS ALL TYPES OF BUY-INS AND BUYOUTS

- Deals of all sizes and all complexities.
- Buy-ins.
- Buyouts and eventual wind-ups.
- Medically underwritten bulk annuities.



## HOW THE EXCHANGE WORKS



Create scheme-specific disclosures about benefit details, individual member data, and the funding position.



Invite insurers to provide monthly proposals, uploaded directly onto the Exchange.



Log in online to see how insurers' pricing is developing over time, seeing all bidding insurers' prices in one place, whenever necessary.



See the impact on insurance pricing and terms of updating the disclosures - for example, for improved member data or to update for the impact of a member option exercise.

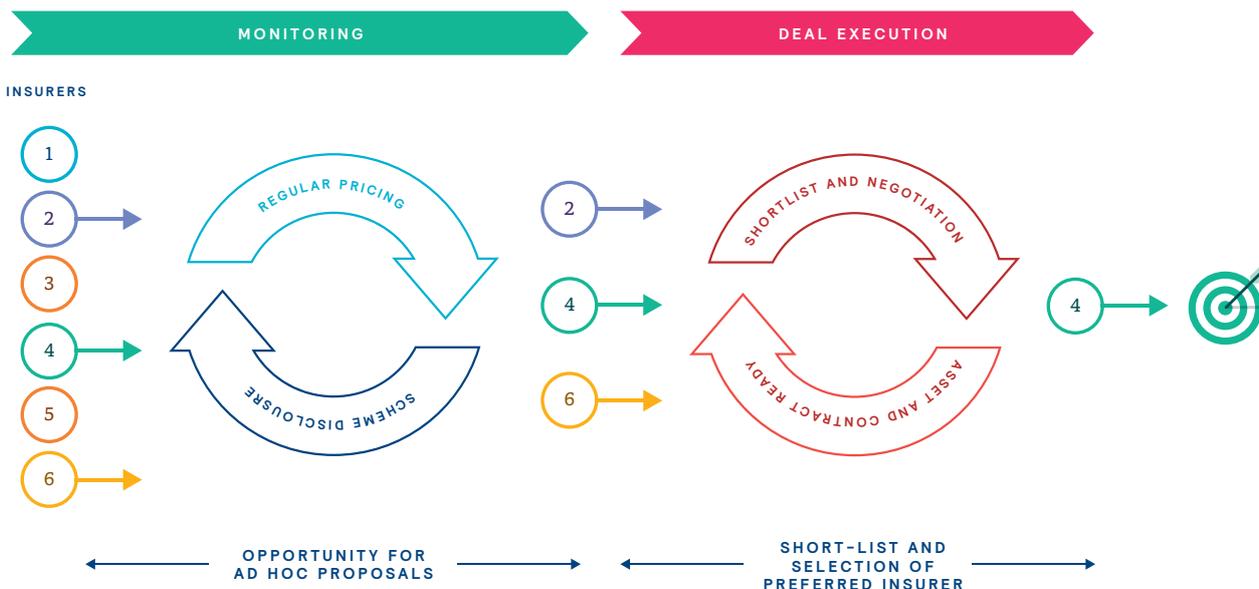


Receive advice and guidance from insurers and Mercer on how to make your scheme more attractive to insurers, with the goal of improving insurers' pricing and terms.



Pursue an actual transaction when it's right for you.

Make your vision for tomorrow a real part of the plans for your defined benefit arrangements today.



You may also be considering other pension risk management options in advance of, or as an alternative to, bulk annuity purchase. For more information on our range of DB solutions, please see our brochure [here](#).

## WHAT IRISH INSURERS THINK

*“The Exchange represents a welcome innovation for the Irish Bulk Annuity market which will assist schemes in addressing their de-risking challenges. It will benefit schemes managing through their pension lifecycles by allowing trustees and sponsors to understand the real insurer pricing supporting a potential bulk annuity transaction.”*

Shane Prendergast, Longevity Product Manager, Irish Life

*“The Pension Risk Exchange is an exciting new development to the Irish bulk annuity market. We believe this will make transactions more achievable by offering insurers the opportunity to optimise propositions for pension schemes with clear pricing targets. This will ultimately empower sponsors and trustees to make more informed decisions and facilitate an efficient marketplace for transactions.”*

Gavin Brennan, Head of Corporate Business, New Ireland



## AWARD-WINNING INNOVATION



## CONTACT US

To learn more about how the Exchange can help you execute a successful buy-in or buyout for your scheme please contact one of our experts.

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