

# Case Study

## Bespoke Underwriting Solution

Sector: **International Investment Banking**

Employees: **857**

### The facts

Our client is one of the leading financial service providers, offering consumer, corporate and investment banking, insurance and asset management.

The trustees decided, following a merger, to move to a fully insured scheme for Lump Sum & Dependants Pension benefits. Due to limited timescales, only one insurer was quoting and willing to take both benefits, but they were not willing to insure the Dependants Pension in isolation. However, this did address the clients issues and the scheme was therefore placed with them. Due to the inclusion of the Dependants Pension benefit, the underwriting requirement increased significantly.

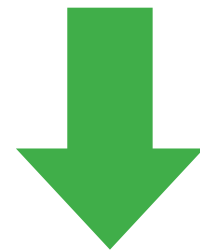
### The action

This unacceptable level of administrative service prompted a market review for the scheme and an attractive deal from an alternative insurer whose administration service is one of the best in the market.

The number of employees requiring underwriting (333) together with the contract wording issue made it imperative that employees were engaged in the exercise. As a result Johnson Fleming offered to work with the client to decide on the optimum approach to ensure the reduction on these liabilities. A bespoke employee communication and underwriting process was designed and implemented.

### The outcome

- Reduced insured liabilities by £70m.
- Option to increase the Free Cover Limit to £1.2m at no additional cost.
- Option to Increase the Free Cover Limit to £1.65m at an additional cost of circa £100,000. This would reduce the outstanding liabilities to nil.



**£70m**  
reduction in  
liabilities

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0870 242 86 00

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