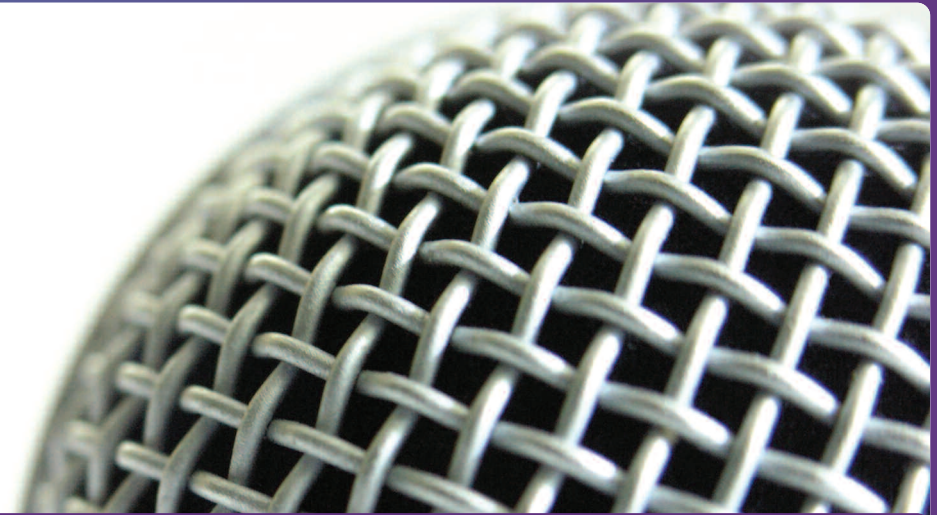




Punter Southall
TRANSACTION SERVICES



Punter Southall Transaction Services Seminar

Pension Schemes – Restructurings, Re-capitalisation and Insolvency

A conference for private equity and finance professionals

6 May 2009, 8.45am – 1pm • The Dukes Hotel, St James's Place, London

Why attend?

Pension schemes are very often a large creditor of a business undergoing financial distress and need to be taken into account when considering restructurings, re-capitalisations and insolvencies.

This half-day seminar is designed for private equity professionals dealing with distressed situations in their portfolio companies and looking at new investment opportunities. The seminar will also be useful for finance professionals in organisations with pension schemes suffering from the effects of the credit crunch.

About us

Delivering the highest quality service in the most demanding situations, Punter Southall Transaction Services advise private equity houses, investment companies and other corporate entities on the acquisition and disposal of companies with defined benefit pension schemes and the ongoing management of pension liabilities.

Our transaction process involves conducting full pension due diligence on the arrangements and then identifying commercial practicable solutions to the pension issues raised and assisting our client with any negotiations.

We have recently been increasingly asked to advise our clients on the implications of a variety of restructuring and insolvency events to their pension schemes. Considerable time has been spent reviewing the covenant provided by sponsoring employers and the effect of particular events on these which may result in the Trustees looking for additional reassurance at the expense of the company.

Programme

8:45 **Registration and breakfast**

9:00 **Chairman's introduction – the changing landscape for pension schemes as creditors**

David Willetts MP

David will provide a broad overview as to how legislative changes and Government actions have over time changed the pension promise from a 'best endeavours' obligation to an onerous inescapable legal obligation.

9:15 **Introduction to the pension scheme as a creditor**

Simon Banks

Simon will show the status of the pension scheme as an unsecured creditor of the sponsoring employer and demonstrate the various scenarios where cash contributions are required including discussion on who is obligated to pay, Section 75 debts, the Pension Regulators' 'moral hazard' powers and the valuation process.

9:45 **Insolvency and 'moral hazard'**

Jacqui Woodward

Jacqui will discuss the impact on a parent company (or a financial investor) of the insolvency of a subsidiary company that sponsors a pension scheme. In particular the focus will be on the risks of the exercise of the 'moral hazard' powers on a parent company or a financial investor in such scenarios through the review of actual case studies.

10:15 **A debt for equity swap with a pension scheme creditor**

James Saunders

In cases of severe financial distress it is often possible to settle the pension liability at a reduced amount and sever any future legal obligation. James will consider the availability of such compromises with the Pension Protection Fund and with the scheme itself illustrating such options through case studies.

10:45 **Coffee break**

11:15 **Re-capitalisations – can the pension scheme help?**

Richard Jones

A business in distress often seeks remedies (such as new equity or reductions in debt) to enhance its solvency and such actions tend to be to the immediate benefit of the pension scheme. What can and should you ask for from the pension scheme Trustees if you undertake actions which improve the covenant provided by the employer to the pension schemes?

11:45 **Pricing pension scheme liabilities in the current environment**

Matthew Claisse

Historically FRS 17 has been used by the majority of investors in pricing defined benefit pension obligations. With the financial chaos causing AA bond spreads to widen dramatically the FRS 17 calculation is now looking questionable as a prudent pricing model. Matthew will provide the background to pricing, recent changes in markets and demonstrate options for dealing with the pricing issues in current markets.

12:15 **Chairman's closing remarks and Q&A**

David Willetts MP

12:30 **Drinks and sandwiches**

Speakers



Richard Jones – Principal

Richard is the head of Punter Southall Transaction Services and has twelve years experience in advising corporate entities on pension and investment issues. Prior to working in Punter Southall Transaction Services, Richard

worked for Punter Southall LLC in the Boston office, USA.

Richard has spent the past nine years with Punter Southall working on a variety of UK and international pension issues from the corporate perspective. He has been involved in a large number of international mergers and acquisitions particularly involving UK and US interests for both corporate buyers and private equity firms.

Amongst other clients, Richard is the lead consultant for an investment company, for whom he provides actuarial and investment advice on a number of global pension schemes with more than \$3 billion in assets.

Simon Banks – Principal

Simon joined Punter Southall Transaction Services as Principal in March 2009 and has over 15 years' actuarial experience. He has advised both Trustees and companies on their pension arrangements, but has specialised over the last six years in corporate and transaction-related advice, working with a number of high profile companies.

Simon's experience includes advising on bulk transfers, benefit changes, scheme mergers, the implementation of new defined contribution schemes, closure to accrual of existing final salary schemes and the design and implementation of enhanced transfer value and other risk-reducing programmes.



David Willetts MP Shadow Secretary of State for Innovation, Universities and Skills

David Willetts is Shadow Secretary of State for Innovation, Universities and Skills and has been the Member of

Parliament for Havant since 1992. He was Shadow Secretary of State for Work and Pensions from 2001-2005 and has worked at HM Treasury, and the Number 10 Policy Unit. He served as Paymaster General in the last Conservative Government.

David is a Governor of the Ditchley Foundation, a member of the Council of the Institute for Fiscal Studies and is a Senior Adviser to Punter Southall. He has written widely on economic and social policy.

Jacqui Woodward – Senior Consultant

Jacqui has worked on a wide range of UK and multinational accounts including managing the global actuarial co-ordination and accountancy advice for a major US multinational with employees in 60 different countries and non-US pension liabilities of \$7 billion.

Jacqui has also assisted many UK corporations with the management of their UK pension liabilities covering areas such as managing their PPF levy, negotiating with trustees during the Scheme Specific Funding process and providing advice on clearance.



James Saunders – Principal

James re-joined Punter Southall Transaction Services as Principal in 2007. He has significant experience as a trustee adviser and Scheme Actuary but more recently has specialised in advising corporate and private equity

clients in relation to pensions and benefits. He has assisted clients on post-deal implementation including transition from final salary to defined contribution pension plans, and 'best value' transfers from public sector schemes such as Local Government and Civil Service.

Over the past few years he has worked on a number of high profile UK and international corporate transactions. He has advised several FTSE 350 clients on their pension schemes, including reviewing benefit design, PPF levy management and funding and investment strategy.

Matthew Claisse – Senior Consultant

Matthew joined Punter Southall in 2001 after graduating from Oxford University with a degree in Mathematics. For the past eight years he has worked as a corporate-focused pensions adviser, advising on a number of corporate transactions as well as providing post-deal support and advice to companies.

Matthew also advises a number of clients on their share-based remuneration arrangements for accounting purposes and is involved in preparing expert advice on pension, investment and share-based remuneration claims.

BOOKING FORM

Punter Southall Transaction Services Seminar · Wednesday 6 May 2009, 8.45am
The Dukes Hotel, St James's Place, London SW1A 1NY

YOUR DETAILS

Name:

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..... Telephone:

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GUESTS

If you would like to bring a colleague, please add their details below:

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Book your place by 29 April

To register for this conference:

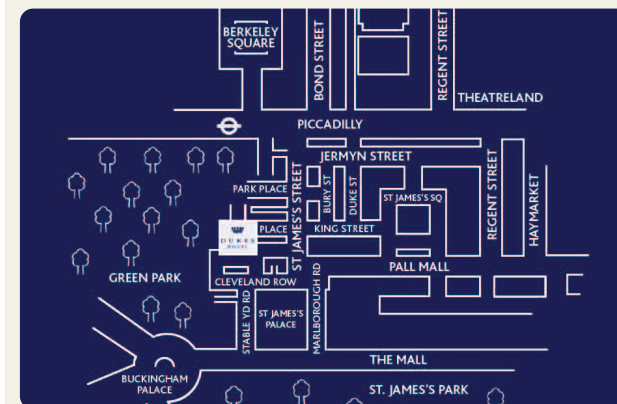
- email mailings@pstransactions.co.uk
- post this form to Alison Smith, 126 Jermyn Street, London SW1Y 4UJ

For more information, please contact Alison Smith on 020 7533 6990.

How to get to The Dukes Hotel

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London SW1A 1NY

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www.dukeshotel.com



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