

PATERNOSTER LIMITED: SALE TO ROTHESAY LIFE

Willis Capital Markets & Advisory acted as exclusive financial advisor to Paternoster

January 2011

P A T E R N O S T E R

has been
acquired by

 **Rothesay life**

a subsidiary of Goldman Sachs

for £260 million

**Exclusive Financial Advisor
to Paternoster**



Transaction Overview

- n **Willis conducted a comprehensive sale and capital raise process**
 - Interest from banks, insurance companies and PE investors
 - Resulted in 100% sale to Rothesay Life, a Goldman Sachs sub
 - è Transaction included a significant capital raise for Paternoster
- n **Paternoster is a market leading UK pension risk transfer provider**
 - Writes primarily bulk annuities through an FSA licensed life insurer
 - è Since forming in 2006, company successfully completed 42 transactions covering over 44,000 policyholders
 - Life insurance subsidiary stopped writing new business in April 2009
 - Company remained active in 2010 using 3rd party capital providers
 - è Sourced and structured £3bn longevity hedge for BMW
- n **Acquisition makes Rothesay the largest specialist bulk annuity writer**
 - Combined market share since 2007 in excess of 25%

Willis Capital Markets & Advisory Role

- n **WCMA acted as exclusive financial advisor to Paternoster**
 - Advised industry leading management team and Board
- n **Transaction involved complex shareholder agreements as well as close regulatory scrutiny**