



**PRESS RELEASE**

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## **TOWRY LAW IN FAVOUR OF PROPOSED INCREASES TO PENSION PROTECTION FUND LEVY**

Towry Law supports recent proposals that Defined Benefit pension schemes with greater weightings in riskier investments should pay higher premiums to the Pension Protection Fund (PPF). This is a sensible approach, as schemes taking greater investment risk are more likely to call upon the PPF for support.

The proposals will, however, mean that scheme trustees face even more difficult decisions regarding their investment strategy. An equity-focused investment approach means more risk and the likelihood of higher PPF levies, whereas reducing investment risk could reduce PPF levies but also means lower growth assumptions by the scheme actuary, leading to increased funding from the employer.

Towry Law believes that Defined Benefit scheme trustees need to adopt a multi-asset approach, investing in a wide range of non-correlated asset classes. This approach diversifies investment risk, and hence reduces the volatility of returns, but still provides the opportunity for consistent long-term returns to meet scheme specific liabilities.

**Pan Andreas, Head of Employee Benefits, Towry Law, said:**

“Towry Law works closely with Defined Benefit pension scheme trustees, and sponsoring employers, to ensure they have an appropriate investment strategy. We aim to maximise investment returns while ensuring that risks are effectively managed.

“These new proposals represent yet another consideration for trustees and provide further evidence that outmoded investment techniques, with too large an emphasis on equities, are not appropriate in today’s environment.

“Nobody knows what the future holds and so the best approach for trustees is to ensure their investment portfolios are effectively diversified so that no matter what happens, they have the best opportunity for meeting the pension scheme objectives.”

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**Notes to editors:**

**Information on Towry Law**

Towry Law is a fast growing professional financial services firm with 12 offices throughout the United Kingdom. The Company employs over 650 highly qualified private and corporate wealth advisers and support staff in offices from the South West and South East of England to the North East of Scotland and Northern Ireland. The Company’s vision is to become the premier provider of private and corporate wealth advisory services in the UK. This will be achieved by maintaining the philosophy of building long-term relationships with clients and providing the very best level of service.

Towry Law was founded in 1958 and, in May 2006, was acquired by John Scott and Partners. The merged business of Towry Law is a fast growing financial services firm focused on the delivery of excellence to its clients.

In 2007 Towry Law announced the acquisition of Baker Tilly Financial Services Limited (BTFS), the financial advisory division within mid-tier accountancy firm Baker Tilly, and the UK activities of MLP Private Finance. This was followed by the acquisitions of regional firms, McGowan in St Andrews, Scotland, Analysis in L'Derry, Northern Ireland and Hazlems Financial, based in London.

Towry Law is privately owned. The principal shareholders are Palamon Capital Partners, one of Europe's leading private equity firms, and Towry Law employees.

Towry Law has been accredited as one of the Sunday Times 'Best 100 Companies to Work For'. This is based on the response of an extensive staff survey, as well as financial and other information. The Top 100 firms will have received a positive endorsement from their employees.

Towry Law won the overall Sales Organisation of the Year, and the Sales Organisation of the Year for Financial Services, Award at the 2008 National Sales Awards.

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