
Another longevity reinsurance deal for Prudential Retirement

By Editorial Staff Thu, Jan 15, 2015

The transaction marks Prudential Retirement's fifth longevity reinsurance deal since 2011 with Rothesay Life and the second in the past six months, according to a release.

Prudential Retirement, a unit of Prudential Financial, announced this week that it will reinsure the longevity risk of eight pension plans managed by Rothesay Life Limited and its affiliates. The transaction marks Prudential Retirement's fifth longevity reinsurance deal since 2011 with Rothesay Life and the second in the past six months, according to a release.

The transaction covers longevity risk associated with pension liabilities of \$450 million (about 288 million Pounds Sterling) for some 25,000 retirees and deferred members in the U.K.

In August 2014, Prudential announced a \$1.7 billion (about 1 billion Pounds Sterling) transaction covering 20,000 annuitants. The Rothesay transactions followed Prudential's agreement in July to reinsure \$27.7 billion of longevity risk associated with BT Pension Scheme liabilities.

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