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## Breaking News

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By Editorial Staff Thu, Dec 9, 2021

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*Net income of life/annuity companies on track to double this year: AM Best ; Pacific Life enhances offerings for RIAs; Luma enhances annuity and structured product comparison tool; Mutual of Omaha adds 401(k) technology from American Trust.*

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### **Net income of life/annuity companies on track to double this year: AM Best**

The US life/annuity (L/A) industry doubled its net income in the first nine months of 2021 to \$26.1 billion, compared with the same prior-year period, according to Best's Special Report, "First Look: Nine-Month 2021 Life/Annuity Financial Results."

The data is derived from companies' nine-month 2021 interim statutory statements that were received as of Dec. 1, representing an estimated 97% of total US L/A industry premiums and annuity considerations.

According to the report, the U.S. L/A industry total income rose 6.6% from the prior-year period, driven by a 62% increase in other income, a 4.9% increase in net investment income and a 4.5% increase in premiums and annuity considerations.

The pretax net operating gain was \$42.5 billion, up 153.3%. A \$5.3 billion increase in tax obligations and an additional \$7.3 billion of net realized capital losses contributed to the industry's net income, up from \$13.1 billion from the first nine months of 2020.

Capital and surplus rose by 6.7% from the end of 2020 to \$468.0 billion, as \$64.2 billion of net income, contributed capital, changes in unrealized gains and other changes in surplus were reduced by a \$14.1 billion change in asset valuation reserve and \$20.7 billion of stockholder dividends.

### **Pacific Life enhances offerings for RIAs**

Pacific Life has established an Advisory Solutions Desk, a "concierge experience" for Registered Investment Advisors (RIAs), the company announced in a release.

"Now, RIAs and their fee-only advisors can access Pacific Advisory Variable Annuity through our new tech-enabled Advisory Solutions Desk or one of our insurance desks or custodial distribution partners," said Kevin Kennedy, senior vice president of sales and chief marketing officer for Pacific Life's Retirement Solutions Division.

The Advisory Solutions Desk is part of Pacific Life's advisory expansion initiative. During 2021, Pacific Life Advisory formed a dedicated advisory team and introduced a fee-friendly variable annuity and optional living benefit for RIAs and their clients.

"The team also tripled data integrations with top advisory software providers, while collaborating with new distribution partners to deliver specialized advisory services with seamless integrations," a Pacific Life release said.

In addition to strong sales of its fee-friendly offerings, Pacific Life said it has seen strong sales of its fee-friendly offerings and an increase in its overall advisory business across all distribution channels.

#### **Luma enhances annuity and structured product comparison tool**

Luma Financial Technologies, a multi-issuer structured products and annuities distribution platform, has added an "annuity replacement analysis" within its comparison tool, "Luma Compare."

The new feature supplies advanced analytics for financial advisors to compare a client's existing annuity product features, fees and values to a proposed annuity product replacement, including 1035 exchanges. The analysis that considers current and future market scenarios, as well as tailored breakdowns specific to an individual's current income and death benefits in their existing product.

"The new tool can also be customized based on a firm's suitability criteria, further ensuring compliance standards. Through historical data and future projections, Luma Compare offers advisors consistent, simple, and customized solutions with a higher level of accuracy," said Keith Burger, Head of Distribution at Luma Financial Technologies, in a release.

The Luma structured products platform originated in 2018. In February 2021, Luma added annuities. Luma Financial Technologies, whose CEO and president is Tim Bonacci, was created in 2011.

Headquartered in Cincinnati, OH, Luma also has offices in New York, NY, Zurich, Switzerland, and Chile. Its services and technology are used by broker/dealer firms, RIA offices and private banks to automate and optimize the full process cycle for offering and transacting in market-linked investments. This includes education and certification; creation and pricing of custom structures; order entry; and post-trade actions.

### **Mutual of Omaha adds 401(k) technology from American Trust**

Mutual of Omaha's Retirement Services division and American Trust (AT) are partnering to offer an "open architecture retirement product" for retirement plan sponsors, participants, financial advisors and third-party administrators. AT Retirement Services is a unit of EdgeCo Holdings.

Laura Huscroft, VP of 401(k) with Mutual of Omaha Retirement Services, and Micah DiSalvo, Chief Revenue Officer at American Trust, made the announcement in a press release.

American Trust is a full-service provider of retirement plan solutions to advisors serving the small- and mid-sized plan market. With offices across the US, American Trust leverages a modern technology stack to offer innovative, high-quality recordkeeping and trust and custody services.

EdgeCo is a provider of technology-enabled solutions for financial intermediaries and their clients. These include full-service retirement plan administration, brokerage, advisory, and trust and custody services. Clients include registered representatives, investment advisors and other financial intermediaries including retirement plan recordkeepers, TPAs, bank trust departments, broker dealers and insurance companies.

The firm services approximately \$150 billion under custody, administration and wealth, working with more than 15,000 financial advisors and 500 financial institutions.

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