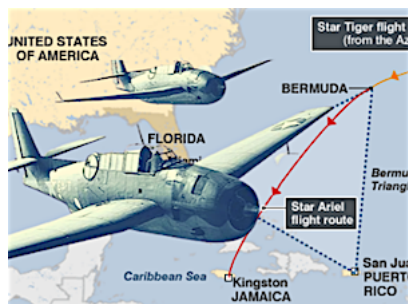


News from the Bermuda Triangle

By Editorial Staff Mon, Jun 1, 2026

Prismic Life raises \$1.9 billion in new capital; Japanese insurance giant commits \$19 billion to Barings; MassMutual sells \$6 billion block of life insurance to Nationwide; Augustar Retirement launches new traditional variable annuity; 26North Re buys Independent Insurance Group.



We try to keep track of moves by life insurers that use all or part of the “Bermuda Triangle” strategy. That’s what we call the strategy where annuity-issuing U.S. life insurers partner with alternative asset managers and affiliated offshore or captive onshore reinsurers, as well as special purpose vehicles—to raise capital, use capital more efficiently, or reduce the risks of capital-intensive legacy businesses.

The largest practitioners of this strategy tend to fall along a continuum, ranging from asset managers that bought into the life/annuity business after 2010 (e.g., Apollo, KKR, Ares, Brookfield) to established publicly-traded or mutual life insurers (e.g., Prudential, MassMutual, Ohio National) and, in between, companies that employ pieces of the strategy without establishing the full vertical integration (deferred annuities, private market assets, and asset-intensive reinsurance) that epitomizes it.

Prismic Life raises \$1.9 billion in new capital

Prudential Financial continues to bring third-party institutional money into its Bermuda Triangle strategy, whose key points are Prismic Life, its Bermuda reinsurance holding company, Prudential Global Investment Management (PGIM), its asset manager, and its U.S. life/annuity companies.

In May, Prismic Life raised about \$1.9 billion in capital commitments from a global consortium of institutional investors—about \$300 million more than its target—for life and annuity reinsurance deals, according to a Prudential release.

“Prismic Life provides Prudential with access to third-party capital and strategic optionality supporting its long-term growth strategy,” said Andy Sullivan, chairman and CEO of Prudential Financial, in the release. Prudential sold a gross \$15.3 billion in fixed and variable deferred annuities in 2025, according to LIMRA, the 11th-highest annuity issuer.

According to Prudential Insurance Company of America's March 31, 2026 statutory filing, the insurer has \$331.5 billion in assets, \$310.5 in liabilities, and a \$15.2 billion surplus. Life insurance sales for the first quarter of 2026 were just over \$1.6 billion and annuity sales were just under \$1.6 billion.

The life insurance business reported \$1.4 billion in reinsurance assumed and \$1.6 billion in reinsurance ceded. The annuity business assumed \$1.93 billion in reinsurance and ceded just \$125.4 million.

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Prismic is a joint venture of Prudential Financial and Warburg Pincus. PGIM, Prudential Financial's \$1.4 trillion investment management arm of Prudential Financial, and Warburg Pincus provide Prismic Life's public and private market asset management.

A Bermuda-exempted limited partnership, Prismic Life is the holding company of two licensed Class E Bermuda-based L/A reinsurers: Prismic Life Reinsurance, Ltd. and Prismic Life Reinsurance International, Ltd.

To date, Prismic has raised more than \$3.3 billion in total capital to support the reinsurance of liabilities, including Prudential Financial's US and Japanese books and third-party business. Prismic Life Reinsurance International covered a yen-denominated in-force block of Daiichi Life whole life and annuity policies, with Daiichi continuing to administer the underlying contracts.

In January 2025, Prudential Financial disclosed a separate reinsurance agreement covering about \$7 billion of reserves tied to USD-denominated Japanese whole life policies with a Prismic subsidiary. Daiichi reported total assets of ¥35,364,060 million (\$222.79 billion) as of December 31, 2025, with a solvency margin ratio of 831.8%.

In PRUCO Life Insurance Company's annual 10-K filing with the Securities and Exchange Commission, a number of deals involving reinsurance of its guaranteed universal life (GUL) policies were reported. Effective October 2024, Pruco reinsured a closed block of GUL with Wilton Re. Effective January 2024, Pruco struck a reinsurance agreement with Somerset Re for a GUL closed block. Somerset Re was acquired by Aquarian Holdings in 2023.

Japanese insurance giant commits \$19 billion to Barings

Barings, a \$481 billion global alternative investment manager, a subsidiary of MassMutual and Japan's MS&AD, last month announced the close of over \$19 billion in committed capital for its Global Direct Lending strategy, garnering interest from a diverse group of institutional, insurance and wealth clients.

The two-year fundraising period coincided with strong and sustained deployment activity, including over \$18 billion across 355 transactions globally.

The latest fundraise expands Barings' more than \$67 billion (as of May 15, 2026) Global Private Finance platform, which draws on an "origination network across North America, Europe and Asia-Pacific and a 30-year track record of providing financing solutions to middle market private equity sponsors," according to a release.

MassMutual is also a key investor in Martello Re Ltd., based in Hamilton, Bermuda. In July 2024, July 23, 2024, Martello Re Limited ("Martello Re") reported the close of a second round of equity funding, raising \$935 million of equity commitments from existing and new shareholders, which exceeds an initial \$800 million target set at launch of the capital raise.

In addition, Martello Re has upsized its current credit facility by \$360 million, adding four new banks to its lender group. These commitments, when combined with the company's current equity and credit facility capacity, brings total drawn and undrawn capital at Martello Re to approximately \$3.6 billion, providing a strong foundation for continued growth.

Barings is a \$481 billion (as of May 15, 2026) global alternative asset manager that partners with institutional, insurance, and wealth clients, and supports leading businesses with flexible financing solutions. The firm, a subsidiary of MassMutual and MS&AD, seeks to deliver excess returns by leveraging its global scale and capabilities across credit, real assets, capital solutions and emerging markets.

MassMutual sells \$6 billion block of life insurance to Nationwide

Nationwide Financial is set to add \$6 billion in reserves through a reinsurance deal with MassMutual covering a block of fixed universal life insurance policies. The transaction includes more than 30,000 policyowners and has a total face value of nearly \$16 billion. It is expected to close in the second quarter of 2026.

In this type of block reinsurance transaction, in contrast to funds-withheld or coinsurance arrangements with affiliated or captive reinsurers, both assets and liabilities associated with the policies move to the reinsurer.

Under the agreement, MassMutual will continue to administer the block of policies. Customer servicing will stay with MassMutual after the transaction closes. Nationwide doesn't expect to add staff.

Augustar Retirement launches new traditional VA

AuguStar Retirement, which markets variable, fixed index and multi-year guaranteed annuities through banks, brokers/dealers, independent marketing organizations and insurance agents, has expanded its annuity lineup with the launch of StarStream deferred traditional variable annuity. The new product offers four separate income benefits:

- Level: Designed for predictable lifetime income
- Protector: Combines lifetime income with an enhanced death benefit
- Boost: Offers higher withdrawals earlier in retirement
- Daily: Allows daily step-ups to capture market gains

StarStream supports both near- and long-term income strategies, including opportunities to increase future withdrawal rates when income is deferred. The product provides access to a diversified investment lineup that includes equity, fixed income and a fixed account. When an optional benefit is elected, allocation requirements apply.

AuguStar Retirement is a member of the Constellation family of businesses, which also includes AuguStar Life, AuguStar Seguros, Constellation Investments, Constellation Re and Constellation Institutional Markets. Augustar was previously known as Ohio National. Constellation's investors and equal partners, CDPQ and Ontario Teachers', are two of North America's largest long-term institutional investors, managing CA\$796 billion in net assets, including CA\$136 billion in private capital investments (as of Dec. 31, 2025).

Constellation Re (Bermuda) Ltd is the Bermuda-based reinsurance arm of Constellation Insurance. The Bermuda entity provides on- and offshore reinsurance services, leveraging the company's strong capital position, robust credit ratings, and global reach.

In December 2024, the Bermuda Monetary Authority (BMA) registered Constellation Re (Bermuda) Ltd in Class C of the Bermuda insurance classification system. Since 2020, Constellation Re has executed \$43 billion in complex M&A and reinsurance

transactions across a diversified portfolio of liabilities. Constellation Insurance, which includes Constellation Re, holds strong ratings from A.M. Best (“A”), Fitch (“A”), and Moody’s (“Baa1”).

According to Constellation Insurance’s website, the company established the Bermuda entity to expand its reinsurance business and diversify its insurance and financial services group and to take advantage of Bermuda’s favorable regulatory environment and established reinsurance market.

26North Re buys Independent Insurance Group

26North Reinsurance Holding Company has entered into a definitive agreement to acquire 100% of Independent Insurance Group, LLC (“Independent Group”), which operates Independent Life Insurance Company (“Independent Life”), the only carrier exclusively dedicated to issuing structured settlement annuities for personal injury claimants and their families.

The acquisition marks 26North Re’s entry into the U.S. insurance market and establishes its first onshore platform, complementing its existing Bermuda- and Cayman-domiciled operations. Independent Life will continue to operate under its existing brand following the close of the transaction, preserving the relationships and service standards that settlement planners and their clients rely on. 26North Re intends to build on that foundation, backing the business with long-term capital and proprietary asset origination to accelerate growth.

“This partnership will strengthen Independent Life’s leading franchise and provide the resources to enable consistent competitive pricing for settlement planners and claimants. For the people those settlements serve, 26North Re’s backing reinforces the certainty they have always counted on,” said 26North Senior Partner Cole Charnas. “We look forward to working alongside the management team on the next phase of the company’s expansion.”

With this transaction, 26North Re enters the structured settlement market, a specialized segment of the U.S. insurance industry in which long-dated liabilities, rigorous underwriting standards and disciplined asset management are prerequisites for all participants.