
Honorable Mention

By Editorial Staff *Thu, May 6, 2021*

SPCG, a new consulting group, focuses on structured products; MassMutual and Arconic Corp in \$1 billion pension risk transfer deal; 'Jackson Financial' appoints new directors; Allianz adds 'auto lock' to indexed life and annuity products; Principal, Wilshire and BlackRock partner on model portfolios; Protective VA adds investment options from four major fund companies; American Trust Retirement makes another acquisition.

SPCG, a new consulting group, focuses on structured products

Structured Products Consulting Group, LLC, announced its seventh collaboration agreement this week, to distribute its suite of risk management and income solutions to financial advisors interested in the structured investment and derivatives space.

SPCG has forged alliances with firms including Halo Investing, Van Hulzen Asset Management, Harvest Volatility Management, Fort Point Capital Partners and Bluestone Capital Management. Eric Miller, CFP, founded SPCG in September 2020. Andy Robertson joined him in January 2021.

SPCG provides derivatives advice to advisors that cover multiple disciplines within the risk management spectrum. SPCG's principals have 50 years combined experience in the high-net-worth, institutional and retail derivatives area. They advise on strategies and platforms that span three distinct solution sets: derivative investments, structured products and concentrated equity solutions.

MassMutual and Arconic Corp in \$1 billion pension risk transfer deal

Arconic Corporation, an aluminum products firm based in Pittsburgh, PA, has purchased a group annuity contract from MassMutual, transferring about \$1 billion of its US pension plan obligations and related plan assets to the big mutual life insurance company, Arconic announced this week.

MassMutual is now responsible for the pension benefit payments still owed to about 8,400 Arconic retirees or beneficiaries. Participants will begin receiving benefits from MassMutual instead of Arconic's plans beginning in August 2021.

The transaction won't change anyone's pension benefits, the release said. Details will be provided to retired participants and beneficiaries whose continuing payments will come from MassMutual.

As part of the transaction, Arconic contributed \$250 million to its US pension plans to maintain the funding level of the remaining plan obligations. Arconic obtained the money through a debt offering of \$300 million aggregate principal amount of the Company's 6.125% Senior Secured Second-Lien Notes due 2028, which closed on March 3, 2021.

As a result of the transaction, the Company expects to recognize a non-cash pension settlement charge of approximately \$575 million (\$450 million after tax), subject to finalization of actuarial assumptions and other applicable adjustments in the second quarter of 2021.

Arconic Corporation (NYSE: ARNC), provides aluminum sheet, plate and extrusions, as well as innovative architectural products for the ground transportation, aerospace, building and construction, industrial and packaging markets.

'Jackson Financial' appoints new board of directors

Jackson Financial Inc. has appointed additional independent directors to its board of directors, effective upon completion of the proposed demerger from Prudential plc (NYSE: PUK). Jackson expects the demerger to be completed by the end of 2Q 2021, pending shareholder and regulatory approvals, according to a release.

The leadership of the new board will include non-executive chair Steve Kandarian and Prieskorn, who will serve as an executive director. The additional independent directors include:

Gregory T. Durant, vice chairman of Deloitte LLP.

Derek G. Kirkland, former managing director and co-head of the Global Financial Institutions Group at Morgan Stanley's Financial Institutions Group in Investment Banking.

Martin J. Lippert, former executive vice president and head of Global Technology and Operations at MetLife.

Russell G. Noles, former executive vice president and Chief Operating Officer of Nuveen, a subsidiary of Teachers Insurance & Annuity Association (TIAA).

Esta E. Stecher, chair of Goldman Sachs Bank USA.

Two more independent board members will be identified at or following demerger. Committee assignments will be made prior to the completion of the demerger.

Allianz indexed life and annuity products now feature “auto lock”

Allianz Life of North America today announced new “auto lock” capabilities on select fixed index annuity (FIA) contracts and fixed index universal life (FIUL) insurance policies, the company announced this week.

The innovative new feature allows Policy and contract holders will be able to set an Index Lock once during a crediting period. If reached, it will be automatically locked in until the end of that crediting period.

Contract and policy owners can “lock in an index value and receive positive interest credits without having to constantly check index values or manually activate an index lock,” said Eric Thomes, chief distribution officer, Allianz Life. “This helps reduce risks during times of uncertainty and also helps decrease the probability of receiving zero percent interest.”

The new feature is available on select Allianz Life FIA contracts and FIUL policies. The feature is available on new applications and in-force policies and contracts that currently offer the manual index lock feature.

Principal, Wilshire and BlackRock partner on diversified model portfolios

Principal Financial Group is partnering with Wilshire and BlackRock to offer 25 new model portfolios. The portfolios will include Wilshire Diversified Portfolios, BlackRock iShares ETFs, and BlackRock bond funds.

The Principal Wilshire Diversified Portfolios include three series: Global Hybrid, US Hybrid, and ETF-only. Each has seven underlying portfolios for different risk tolerances. There are also three Separately Managed Account models and one Diversified Income model.

Twenty-four of the 25 portfolios are currently available on the Envestnet platform. The Principal Wilshire ETF Fixed Income portfolio will go live in June.

The launch is part of Principal’s campaign to “enhance relationships with Registered Investment Advisors” and “deliver the product support they seek to best serve clients,” a Principal release said. Principal formed a single client-facing team from multiple teams to support the RIA, Investment Only, and bank trust channels.

The Principal Wilshire Diversified Portfolios come in three flavors: Hybrid, Open Architecture, and Institutional Portfolio Management. The hybrid version blends active management by Principal Global Investors with BlackRock’s low-cost, passive ETFs. The

open architecture version offers access to complementary, multi-manager active strategies. The strategies used in institutional version are all vetted by Wilshire's institutional due diligence process.

As the discretionary asset manager for the Principal Wilshire Diversified Portfolios, Wilshire will have responsibility for asset allocation, investment selection, monitoring, and rebalancing.

Protective adds VA investment options from four major fund companies

Protective Life Corp's commission-based variable annuities and their fee-based advisory solutions will begin offering investment options from AllianceBernstein, BlackRock, Columbia Threadneedle and T. Rowe Price, the company, a subsidiary of Dai-ichi Life Holdings, Inc., said in a release.

Protective also added 29 new sub-accounts to their commission-based products and 38 new sub-accounts to their fee-based advisory products.

Protective Variable Annuity II B Series and Protective® Variable Annuity Investors Series are two of Protective's commission-based solutions distributed by broker dealers and banks. Protective Investors Benefit Advisory Variable Annuity is Protective's fee-based advisory product solution for registered investment advisors.

American Trust Retirement makes its second acquisition in 12 months

AT Retirement Services, LLC (American Trust Retirement), a provider of retirement solutions to financial intermediaries and their clients, has acquired Stanley Benefit Services, Inc., an independent employee benefits consulting firm based in Greensboro, NC, specializing in retirement plan administration.

The acquisition gives American Trust Retirement's further expertise in the mid-market space, adds an in-house actuarial team, and supports a broader offering in the defined benefit and cash balance plan markets. American Trust Retirement is a subsidiary of EdgeCo Holdings, a provider of technology-enabled solutions to financial intermediaries and their clients.

Within the last year, American Trust Retirement also acquired Unified Trust Company, a national provider of retirement plan solutions and fiduciary services.

Fund Direct Advisors, Inc., an SEC registered investment advisory firm which shares similar

ownership with Stanley Benefits, will not be part of the acquisition. They will remain independent and led by Wes Stanley and Chris Stanley. The remaining team members of Stanley Benefits, including Bill Stanley, senior vice president and Chris Francis, vice president, will join American Trust Retirement.

Stanley Benefits will be rebranded to Stanley Benefit Services, a Division of American Trust Retirement, eventually transitioning to the highly regarded American Trust name.

American Trust Retirement is a full-service provider of retirement plan solutions to advisors serving the small- and mid-sized plan market. It has offices in Dubuque, IA, Memphis, TN and Lexington, KY. Its services include plan design, fiduciary oversight, discretionary trust services, cost efficiency, service, and technology.

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