
Jackson to reinsure closed block of John Hancock annuities

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Jackson National Life has agreed to reinsure 100% of the Group Payout Annuity business of John Hancock Life and its affiliate, John Hancock Life Insurance Company of New York, Jackson announced in a recent release.

The portfolio of over 230,000 policies relates mainly to pension participants that are primarily in the payout phase, the majority of the policies having been issued between 1980 and 2012.

The transaction closed October 31 on the non-New York portion of the business, representing approximately 90% of the overall block of Group Payout Annuities. The closing on the New York portion is subject to New York regulatory approval and is expected to occur in early 2019.

In total, the transaction involves Jackson indemnity reinsuring approximately \$5.5 billion of statutory reserves, representing an increase in Jackson's general account liabilities of approximately 10%. John Hancock will continue to administer the business.

The acquisition is structured as 100% reinsurance of a closed block of group annuities issued by John Hancock Life Insurance Company (U.S.A.) and its New York affiliate. The transaction is expected to have minimal impact on Jackson's U.S. statutory Risk Based Capital position.

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