
MetLife and General Atlantic create 'Chariot Re' sidecar

By Editorial Staff *Fri, Jan 3, 2025*

A flurry of news from MetLife regarding its Chariot Re 'sidecar' deal, its acquisition of PineBridge Investments and \$100 billion in AUM, and its agreement to reinsure a \$569 million pension risk transfer deal in the UK.

MetLife, Inc., is partnering with the investment firm General Atlantic to launch Bermuda-based Chariot Reinsurance, Ltd., a registered Class E Bermuda-based life and annuity reinsurance company.

The deal will give MetLife access to “on-demand” capital, analysts said.

The new company will initially serve as a “sidecar for the company, but seems well-positioned to become market-facing in future,” according to a report at Artemis.com. As RIJ [reported](#) last month, “sidecars” are vehicles that allow global investors indirect access to the anticipated growth of annuity sales in the U.S.

“We expect MET to reinsure additional blocks to Chariot in the future, and perhaps establish flow-reinsurance agreements with it as well, although the timing of such transactions is unclear,” S&P Global Ratings said about the deal.

Regarding the sidecar’s benefits to MetLife, S&P analysts wrote, “The addition of Chariot Re as a sidecar will primarily benefit MET’s spread based businesses, such as PRT and structured settlements, mainly by providing access to on-demand third-party equity capital for growth and capital relief, without the need to issue new shares outright.”

The new reinsurance venture is expected to launch in 2025. MetLife expects Chariot Re to reinsure around \$10 billion in MetLife liabilities, including structured settlement annuity contracts and group annuity contracts associated with pension risk transfers. MetLife will still be responsible for all “policyholder commitments” and “customer-related functions.”

Chariot Re is expected to be led by Cynthia Smith, a 30-year veteran of the company, who will serve as CEO having most recently led MetLife’s Group Benefits Regional Business.

“With the demand for life and retirement solutions anticipated to grow around the globe, MetLife views a strategic partnership with Chariot Re as a powerful avenue to further serve those expanding needs,” MetLife CEO and president Michel Khalaf said in a statement.

“Chariot Re will operate as the latest third-party capital-supported life and annuity

reinsurance sidecar structure for MetLife," Artemis.com reported. "MetLife Investment Management and General Atlantic are set to exclusively provide asset management services to Chariot Re. This venture will give MetLife the benefits of a third-party capitalized reinsurance sidecar, while moving policies over to a dedicated reinsurance venture that it can then seek to grow with additional origination.

Chariot Re is expected to have an initial equity investment of over \$1 billion, with MetLife and General Atlantic will each initially owning approximately 15% of the equity in the reinsurance company, which will have initial capital of over \$1 billion. Property and casualty insurance specialist Chubb expected to be an initial third-party investor.

"It seems Chariot Re could also become market-facing in future, as MetLife is already providing reinsurance capital to cedents for life and annuity type deals, as well as pension and longevity risk transfers, so Chariot Re may become a better direct conduit for those types of arrangements for the company," Artemis said.

"At the same time, this is allowing MetLife to lean on third-party institutional investor type capital backing, while in addition benefiting from the investment opportunity itself, and tapping the investment expertise of General Atlantic as well."

MetLife expands investment arm

MetLife Investment Management (MIM), the institutional asset management business of MetLife, Inc., has agreed to acquire PineBridge Investments, a global asset manager with approximately \$100 billion in assets under management, from the Pacific Century Group.

The transaction, expected to close in 2025, involves \$800 million in cash at closing, \$200 million subject to achievement of certain 2025 financial metrics, and \$200 million subject to a multi-year earnout.

PineBridge was founded in 1996 as the advisory and asset management business of AIG. It was acquired in 2010 by Pacific Century Group. The firm's private equity funds group business and its joint venture in China were excluded from the transaction.

"The acquisition of PineBridge Investments furthers our ambition to accelerate growth in asset management," said MetLife President and CEO Michel Khalaf. With the acquisition, MIM's total AUM will increase to more than \$700 billion, a MetLife release said.

More than half the client assets acquired in the transaction are held by non-U.S. investors

and about one-third are held in Asia. The deal includes Pinebridge's collateralized loan obligation platform, a multi-asset business, a global suite of equity strategies, direct lending and European real estate businesses.

MetLife reinsures longevity risk transfer deal

Also, MetLife will serve as the reinsurer for a £450 million (US\$569 million) longevity risk transfer from the Merchant Navy Ratings Pension Fund (MNRPF) to a MNRPF captive in Guernsey, managed by WTW [Willis Towers Watson] Guernsey.

The arrangement is intended to reduce the fund's exposure to longevity risks and protects benefits for MNRPF members. Structured as an insurance contract, the deal integrates the captive into MNRPF's investment portfolio.

Shelly Beard, managing director at WTW, said in a release, "Longevity swaps are an option for smaller tranches of liabilities. We worked with the trustee to achieve a competitive reinsurer selection process and attractive economics relative to the fund's reserves."

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