Nassau Financial creates Apple app to sell fixed-rate annuities

By Editorial Staff *Thu, Jul 9, 2020*

The contract, "Simple Annuity," and the app of the same name will support the sale of the annuity by independent, commissioned insurance agents and by Nassau's own licensed, salaried representatives. (Photo: Paul Tyler, Nassau CMO.)

Nassau Financial Group has launched a fixed-rate multi-year guaranteed annuity with virtual distribution through an iOS mobile application.

The contract, called "Simple Annuity," and the app of the same name will support the sale of the annuity by independent, commissioned insurance agents and by Nassau's own licensed, salaried representatives. The app is intended to "redesign the sales and consumer experience for annuities, empowering agents with digital tools to support sales," a Nassau release said.

The Simple Annuity is a fixed rate, multi-year guaranteed annuity with four-year and six-year terms. As of June 1, the guaranteed annual returns are:

- 4-year, 2.45%
- 6-year, 2.75%

"The future of annuity distribution will be a digitally-enabled agent," said Paul Tyler, chief marketing officer of Nassau Financial, in an interview. "We also get a lot of good intelligence when we offer this product directly to consumers." The single-premium product has a minimum investment of $5,000 in non-qualified money. The yield on the contract is the same whether sold by a commissioned agent or salaried representative.

With the app and phone support, a sale can be closed in as little as "six minutes," Tyler told *RIJ*. "The clients take a picture of their driver's license, you verify their identity, you do an EFT [electronic funds transfer]. It's a great way for agents to reach people who have no time for paperwork or an appointment. If we can sell direct, it will be groundbreaking."

Nassau was founded in 2015 with capital provided by Golden Gate Capital, a private investment firm with over $15 billion of committed capital. Aiming to "build a franchise across the insurance value chain," the firm bought Phoenix Life and related companies,

Saybrus Partners, a distribution firm, Constitution Life and CorAmerica. It also formed Nassau Re Cayman, and Nassau Corporate Credit.

Nassau Financial Group currently has combined assets of about $22.6 billion and capital of about $1.3 billion. It has four business segments: insurance, reinsurance, distribution and asset management through various affiliates.

In a deal announced in October 2019 and completed this year, Nassau Financial Group acquired two New York-domiciled firms, Foresters Financial Holding Company, Inc. and Foresters Life Insurance and Annuity Company (FLIAC) from the International Order of Foresters. Founded in 1962, FLIAC has 112,000 life insurance and annuity policyholders in the U.S. and $2.5 billion in assets.

Foresters Financial Holding Company, Inc., includes a registered broker-dealer, two investment advisers, a life insurance company and a transfer agent. Foresters Life Insurance and Annuity Company maintains an “A” (Excellent) rating by A.M. Best.

Phil Gass is a co-founder of Nassau Re and serves as chairman and chief executive officer. Gass previously served as chairman and director of Fidelity & Guaranty Life (2011 through 2015) and managing director of investments at HRG Group, Inc.

From 2004 to 2008, he served as vice president of GE Capital. Before then, he held positions at Dresdner Kleinwort Wasserstein and the Sumitomo Bank.

Symetra Life Insurance Company announced this week that it is partnering with the Nassau Re/Imagine insurtech incubator based in Hartford, Connecticut, in order to tap the region’s deep insurance industry talent pipeline.

Nassau Re/Imagine currently supports 19 startups focused on solving pressing problems for the life, annuity, reinsurance, and property & casualty sectors. Symetra’s Harry Monti, executive vice president, Benefits Division, will join the Nassau Re/Imagine advisory board.

“Our Enfield, Connecticut-based employees [will have] greater access to Hartford’s vibrant innovation network, multiple brainstorming events and the kind of collaborative environment that can fuel viable business ideas,” Monti said in a release.

Through parent company Sumitomo Life, Symetra is already a participant in the Plug and Play Tech Center in Sunnyvale, California.

The **Nassau Re/Imagine** program, launched in early 2019, supports individuals and teams committed to fostering an insurtech ecosystem in Greater Hartford. The program provides entrepreneurs with operational resources, access to potential customers, support for product commercialization, and introductions to investors. The support network includes Hartford-area insurance carriers, technology companies, academic institutions and professional service firms.

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