

Athene, PE Group, Buy In-Plan Annuity Platform

The annuity giant's investment is expected to accelerate adoption of lifetime income options by defined-contribution retirement plans.

By **Cyril Tuohy** | March 17, 2025

Annuity powerhouse Athene and private equity firm Motive Partners have announced the purchase of Advantage Retirement Solutions, a move that gives the acquirers more clout in the growing market for annuities in employer-sponsored retirement plans.

The deal's price tag was not disclosed, but takeover of ARS was made through the acquisition of all outstanding shares by a new entity owned by Athene and funds advised by Motive, Athene said in a news release. Motive is a specialist PE firm focused on growth and buyout investments in software and information services.

Athene's latest push into the defined-contribution market comes amid a steady march of new product and platform launches aimed at the workplace market, and is expected to boost the integration of annuities from all insurers into the in-plan segment, said Michelle Gordon, Founder of MRG Advisors.

"I think in a new market like this one, it's much more likely to be a question of a rising tide lifting all ships than of sub-slicing what is currently a small, but expected to be fast-growing, piece of the retirement savings pie," Gordon said in an email.

The deal is a sign the industry is making a big push toward target date funds that include annuities to be available as qualified default investment alternatives in defined contribution plans, she also noted.



Tamiko Toland, founder

Toland Consulting

Laws to make it easier for plan sponsors to add annuities are a top priority as industry trade groups lobby to shape the tax policy of the new administration.

"I'm excited to see continued commitment to this space by different stakeholders, of course including insurers," said industry consultant Tamiko Toland in an email. "The runway for this space is long and change won't come overnight, so it does require an investment."

ARS will continue to operate independently as it seeks to scale up an array of annuities across defined-contribution plans, Athene said.

Lifetime Income Builder

ARS has made a name for itself by connecting annuity guarantees from carriers such as Athene, Principal Financial and Nationwide with defined contribution plans via a platform known as Lifetime Income Builder. The State Street GTC Retirement Income Builder Series, a target-date fund with an in-plan group fixed-indexed annuity aimed at auto-enrolled plan participants, relies on ARS's Lifetime Income Builder technology.

Lifetime Income Builder, described as "a distinctive multi-carrier technology," allows annuities to fit into defined contribution systems including target date funds, which reallocate holdings to safer investments the closer a worker gets to retirement age.

Athene CEO Jim Belardi said ARS's technology would provide new ways for target date funds to deliver better retirement outcomes as the number of Americans 65 and older is expected to grow by 40% by 2050.

"ARS's technology for the defined contribution market will redefine the way Americans use guaranteed income to retire with certainty," Belardi said in a news release.

ARS, formerly Annexus Retirement Solutions, was spun off in 2022 when Scottsdale, Ariz.-based annuity developer Annexus was bought by distributor Integrity Marketing Group.

"Apollo, Athene and Motive's backing will be transformative in helping us scale our technology and expand access to guaranteed income solutions," said Dave Paulsen, CEO of ARS, in a news release.



*Dave Paulsen, CEO,
Advantage Retirement
Solutions*

Athene, the No. 1 seller of individual annuities in the U.S. for the past two years, offers a fixed-indexed annuity with a lifetime income benefit through Lifetime Income Builder.

Lifetime Income Builder competes with other solutions offering annuities to defined-contribution plans. Lifetime Income Strategy from AllianceBernstein relies on annuities from Empower, Equitable, Nationwide, Lincoln National and Jackson National. Blackrock's Lifepath Paycheck Program backs annuities from Equitable and Brighthouse Financial.

From 'If' to 'How' on Adding Annuities

Initiatives surrounding the placement of annuities into employer-sponsored retirement plans rose after the Secure Act passed in 2019.

The law added new protections for employers offering the annuity products to workers and an amended version of the law dubbed Secure 2.0 was passed three years later. The Insured Retirement Institute and the National Association for Fixed Annuities are now pushing for a "Secure 3.0 Act" that would further promote guaranteed-income products in employer-sponsored plans.

"What's particularly telling is the timing," said analyst Chris Eberly, head of the insurance insights practice at Datos-Insights. "We're seeing this investment as the Secure 2.0 provisions are being implemented, which signals confidence that lifetime income solutions will become a standard component of retirement plans."

"The industry is moving from asking 'if' annuities belong in defined contribution plans to 'how' to implement them effectively," he said.

Eberly said with the Secure Act prying open the market for lifetime-income products within defined-contribution plans, he expects there will be more of these technology investments that address integrating lifetime income solutions rather than just managing general retirement platform capabilities.

ARS was founded to bridge the gap between traditional annuity products and the defined contribution market. The approach focuses on providing guaranteed income without requiring participants to leave their existing plans, which has been a barrier to annuity adoption in the defined contribution world, he said.