

Insurance Commissions are Toast.

“Most modern financial products are commission-free...insurance is the exception. Until recently, commissioned sales people have run the show and every day we see the result—consumers owning over-priced policies they don’t need or even understand. DPL puts control of insurance in the hands of fiduciaries—where it belongs—with commission-free products built with the consumer in mind.”

– David Lau, Founder & CEO, DPL Financial Partners

The \$2.2T RIA industry has a problem. Traditional insurance products are notoriously complex, opaque and loaded with commissions that conflict with Registered Investment Advisors’ (RIAs) role as a *fiduciary*. That leaves fee-only advisors with two stark choices: Pass clients off to commission-based insurance brokers, or tell clients, “I don’t do insurance,” thereby leaving them without fiduciary involvement in a critically important part of their financial plan. **Commissions, fees and other financial incentives cost retirees an estimated \$17B/year in lost retirement savings.**

WHAT IS DPL?

DPL Financial Partners (DPL) is an insurance network for Registered Investment Advisors (RIAs). The firm:

- ▶ Works with top carriers to build low-cost, Commission-Free insurance products specifically for RIAs
- ▶ Serves as a strategic partner to RIAs, helping them take control of their clients’ insurance by providing access to fiduciary-friendly, Commission-Free products, insurance expertise and education
- ▶ Focuses on finding the best insurance solutions for each client; is product- and carrier-agnostic

HOW DPL WORKS

FOR RIAs	FOR CARRIERS
RIAs keep their clients’ insurance under their fiduciary umbrella.	Carriers tap into the \$2.2T RIA market.
RIAs pay a yearly membership fee; this model allows DPL to leverage the collective buying power of members to create insurance products without expensive commissions and distribution costs.	DPL works with leading carriers to build products specifically for RIAs, removing commissions and fees that drive up product costs and conflict with the RIA’s fee-only model.
DPL acts as a RIAs insurance department; expert consultants analyze the strengths and weaknesses of existing client holdings, find solutions for RIA clients with Commission-Free products, issue policies and add new products, technology and procedures to support RIAs.	DPL engages carriers’ product teams to help teach RIAs about the benefits of the products and how to use them to meet client needs in a holistic financial planning process.

DPL LEADERSHIP

DPL Founder & CEO David Lau is a financial services entrepreneur with more than 25 years of experience building industry-changing companies and products. Throughout his career, Lau has sought to eliminate inefficiencies in financial products and services and pass the savings on to consumers.



- ▶ As COO at Jefferson National, Lau conceived the first ever flat-fee annuity, Monument Advisor, which Cerulli named “The Gold Standard.”
- ▶ While helping build Telebank (the nation’s first internet bank, acquired by E-Trade in 2000), Lau invented the practice of refunding out-of-network ATM fees, a popular benefit still employed by banks today.

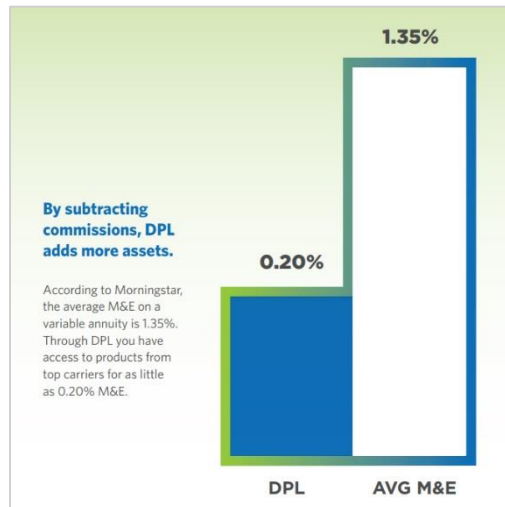
PRODUCTS & CARRIERS ON DPL’S PLATFORM

PRODUCT	CARRIER
Investment-Only Variable Annuity	TIAA, Great-West, AXA, Security Benefit
Fixed Indexed Annuity	Allianz, Great American
Fixed Annuity	CBLife, Integrity Life
Buffer Annuity	Allianz, AXA , Great-West
Single Premium Immediate Annuity (SPIA)	TIAA, Integrity Life
Life Insurance – Term Life	TIAA
Life Insurance – Universal Life	TIAA
Life Insurance – Variable Universal Life	TIAA

CARRIERS OFFERING COMMISSION-FREE INSURANCE THROUGH DPL



THE POWER OF LOW-COST, COMMISSION-FREE PRODUCTS



Current Contract (Commissioned)		New Contract (Commission-Free)	
Total Contract Fees	3.40%	Total Contract Fees	1.05%
M&E	1.50%	M&E	0.25%
Administration	0.15%	Administration	0.10%
Subaccount	1.00%	Subaccount	0.70%
Optional Benefit	0.75%	Optional Benefit	0.00%
Hypothetical Annuity Value	\$321,375	Hypothetical Annuity Value	\$321,375
Estimated Annual Fees	\$10,926	Estimated Annual Fees	\$3,385

Annual Savings on Fees Alone = \$7,541, a reduction of 2.35%

Above: Fee-only 1035 Annuity Exchange: savings with no-load variable annuity, institutional funds, no mark-up.

Left: Ave. M&E on a variable annuity is 1.35% vs. as little as 0.20% on commission-free products through DPL.

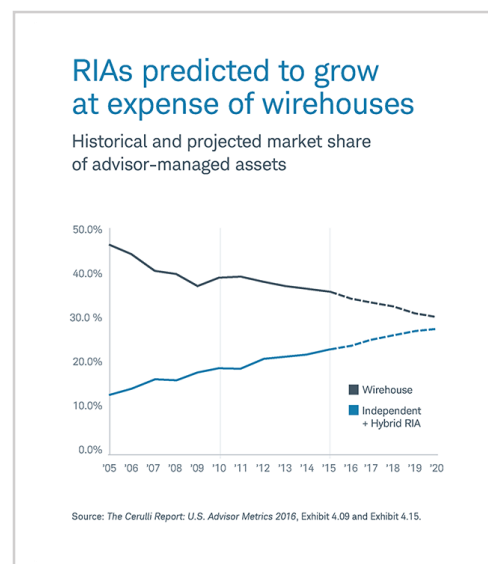
INDUSTRY STATS & TRENDS

RIA Market:

- ▶ The RIA industry manages \$2.2T in assets. – *RIA Database*
- ▶ The number of RIAs jumped 16% since 2013. – *SEC IAPD*
- ▶ The breakaway advisor trend is strong, with more than \$95B shifting firms in 2017. Half the assets leaving wirehouses went to independent firms. – *Investment News*
- ▶ The Certified Financial Planners board recently released new standards requiring CFPs to “act in the best interest of their clients ... at all times when providing financial advice.” – *CFP*

Retirement Planning:

- ▶ Commissions, fees and other financial incentives cost retirees an estimated \$17B/year in lost retirement savings. – *White House Council of Economic Advisers*
- ▶ More than half of retirees who own an annuity (52%) own more than one. Nearly a third (32%) own two; and 20% own three or more. – *LIMRA*
- ▶ The variable annuity market is approximately a \$1.9T marketplace. – *Insured Retirement Institute*
- ▶ In 2016, total fixed annuity sales hit a record-breaking \$117.4 billion, 14% higher than 2015 levels and nearly \$7 billion higher than 2009 (when sales were last at their highest). – *LIMRA*



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