DUE DILIGENCE WORKS, INC.

due dil·i·gence

/d(y)o͞o ˈdiləjəns/

noun

- **LAW:** the care that a reasonable person exercises to avoid harm to other persons or their property.
- **BUSINESS:** research and analysis of a company or organization done in preparation for a business transaction (such as a corporate merger or purchase of securities).

Source: Merriam-Webster

due dil·i·gence works, inc. (DDW)

/d(y)o͞o ˈdiləjəns wərks iNGk/

noun

DDW is an independent firm focused on Product Research. We help Broker-Dealers, RIAs, and Wealth Firms provide research and documentation on their product shelf supporting both home office obligations and Financial Professionals. Regulations and client-centric strategies have made our services not only a best practice, but a must in the industry.

DDW researches thousands of products and recommends the best ones for your firm, Financial Professionals, and clients. Our clients tell us, It just makes sense and Why would you want to do this alone?

WHAT WE DO

RESEARCH

Carrier and Product level research for your product shelf. Gain scale from our research used across the industry (a must in a Reg BI environment).

PRODUCT SHELF MANAGEMENT

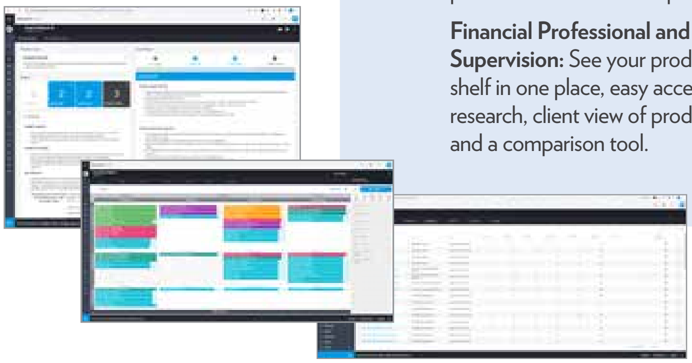
Get specific advice on your product shelf, what to keep, remove or add to your shelf with a documented process.

CLIENT PORTAL

See your product shelf in one place, with easy access to research, support your Reg BI needs:

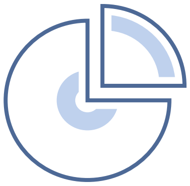
Home Office: See where your product gaps are, fulfill your product research obligations. Maintain your due diligence, committee minutes, product decisions in one place.

Financial Professional and Supervision: See your product shelf in one place, easy access to research, client view of products, and a comparison tool.



Products We Cover

We cover them all. You would expect your Financial Professional to look across products before selecting the best choice for a client. You should expect the same from your due diligence firm.



- Annuities
- Life Insurance
- Mutual Funds
- ETFs
- Managed Money
- UITs
- Structured Products
- Alternative Investments

Who Uses Our Services

- Product Managers
- Due Diligence Analysts
- Supervision
- Sales Support
- Financial Professionals
- Compliance

Our Process >

DDW's due diligence process is tailored to each firm's needs and strategic direction. Quantitative and Qualitative criteria are used in determining which products are right for your product platform.

RISK

Carrier

- Management
- Firm strength
- Investment process
- Service score
- Value added services
- Coverage model
- DDW's Pulse Score

Asset Management Products

- Consistency
- Expenses
- Total return
- Downside protection
- Asset size of the firm
- Tenure of the fund
- Asset flow increase / decrease
- Funds family (relationship, exchanges, breakpoints, etc.)

Annuities / Life Ins

- Annuity complexity
- Rider complexity
- Subaccount/ index complexity
- Income
- Accumulation
- Transparency
- Expenses

TREND

Sales and Client Flows

- Broker-Dealer sales
- Channel sales
- Industry sales

FIT

Does it Fit Product Platform

- Risk parameters
- Geographical coverage
- Strategy
- Existing relationships
- Existing products
- Financial Professional experience level
- Client's servicing

What We Believe Is Important

1 **To research a product shelf, you have to compare it to the industry product universe.** If you don't know what else is out there, it is impossible to know if your product shelf is best in class, yet alone document as such. We review the entire product universe on a continuous basis, and this enables us to provide advice on your product shelf.

2 **Due diligence is not just for the back office.** Organizing research and tailoring the information to the correct audience is a key reason our content is used up and down the organization from the front office to the back.

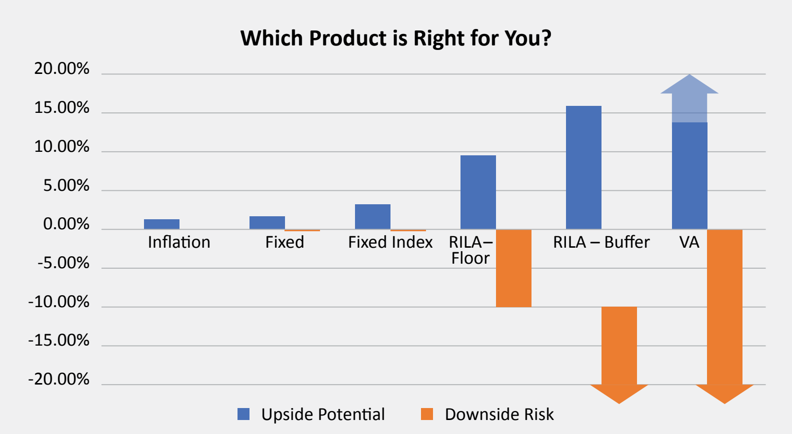
3 **It is amazing when Supervision and Financial Professionals use the same tools and information. NIGOs are reduced and the culture is improved.** Same is true for your product organization, helping them see things from an FP perspective and FPs from a Product Management perspective.

4 **We turn data into actionable information and speak in plain English.** Financial Services can be a complicated business, especially when reading a prospectus or sifting through product data.

Can Due Diligence Help Sales

Yes it can. Gone are the days of thick due diligence reports which nobody reads. There is great content produced through proper due diligence, we take great pride in producing these reports, but even more in how it is consumed. Our content is meant to be read by home office (analyst to president) and by Financial Professionals. We show products in a way that FPs need to see to help their clients.

We also believe Financial Professionals are typically good at talking to clients about market commentary. But often struggle to convert that conversation into a product sale tied to the client need. We have created the DDW *Market Insights* which takes the current market conditions and talks to actual products that can implement that market idea. This is helpful for the FP and Sales Managers to have the right conversation to help clients and grow the business.



Protection	**Principal Protection**	**Partial Protection**	**Income Protection**
Return	**Fixed Return**	**Variable Return w/ Cap**	**Variable Return**

Chart Disclosures: Illustrative using Q3 2020 data. Returns based on average rates for industry for 5 year CDSC products (RILA 5 & 6 yr). FIA: 1 yr pt to pt on S&P 500 cap rate; RILA: 1 yr cap for 10% floor and 10% buffer; VA: is S&P 500 total return 5 yr annual return as of August; inflation rate: Labor Department's Bureau of Labor Statistics August Annual Rate; FIA and RILA show a cap rate not actual returns.