DUE DILIGENCE WORKS

Product Due Diligence
Product Shelf Management

Who is Due Diligence Works

due dil·i·gence works, inc. (DDW)

/d(y)oo ˈdiləjəns wərks iNGk/

noun

DDW is an independent firm focused on Product Research

We help **Broker-Dealers, RIAs and Wealth Firms** meet their Product Research, Due Diligence and Oversight obligations. 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, advisors, and clients.

Our clients tell us,
It just makes sense, and
Why would you want to do this alone?

DDW Clients

40 firms use DDW in the US and Canada (~20k Financial Professionals)

- Broker Dealers Firms
- RIA Firms
- Product Manufacturers
- Individual Producers (BD / RIA)

What We Do

DDW DUE DILIGENCE WORKS

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

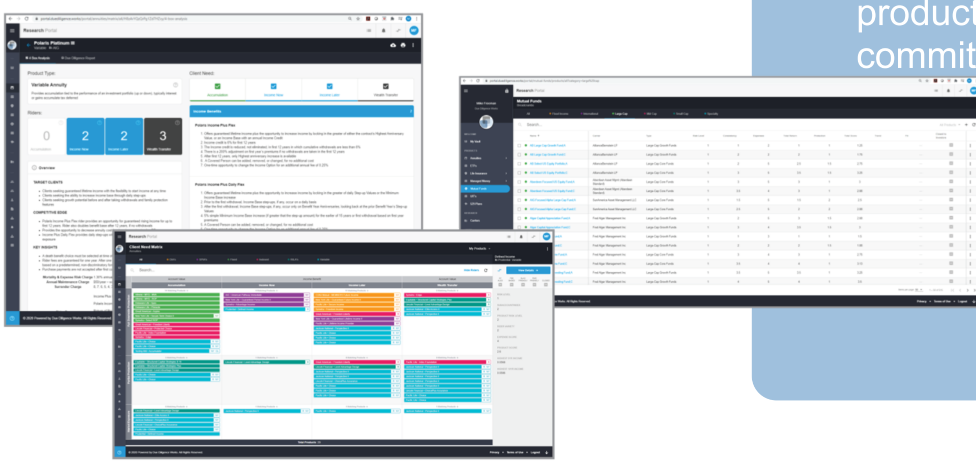
Get specific advice on your product shelf, what to keep, remove or add to your shelf with a documented process.

CLIENT PORTAL

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

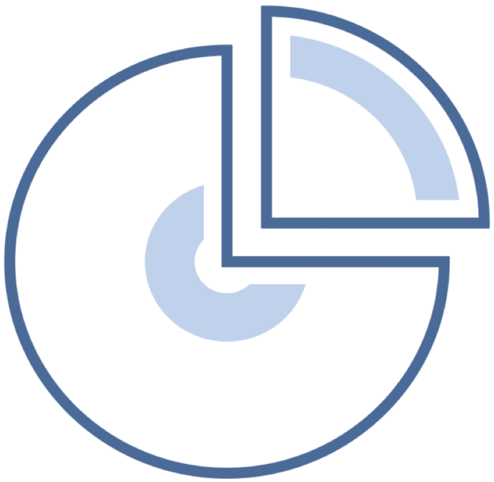
Home Office: See where your product gaps are, fulfill your product research obligations. Maintain your due diligence, committee minutes, product decisions in one place.

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.

What We Believe Is Important

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

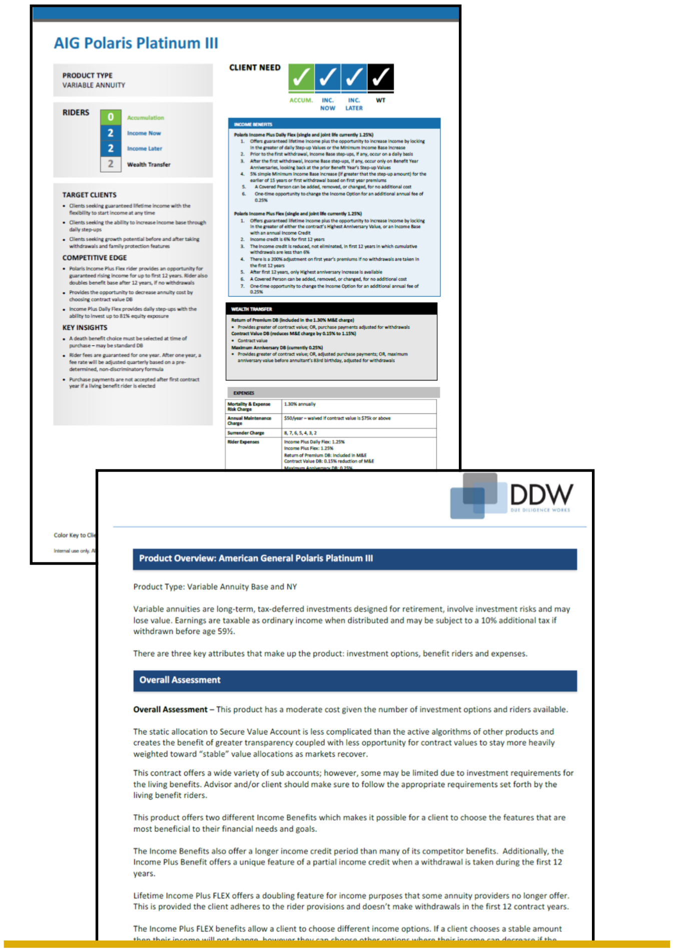
We turn data into actionable information and speak in plain English. Financial Services can be a complicated business, especially when reading a prospectus or sifting through product data.

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.

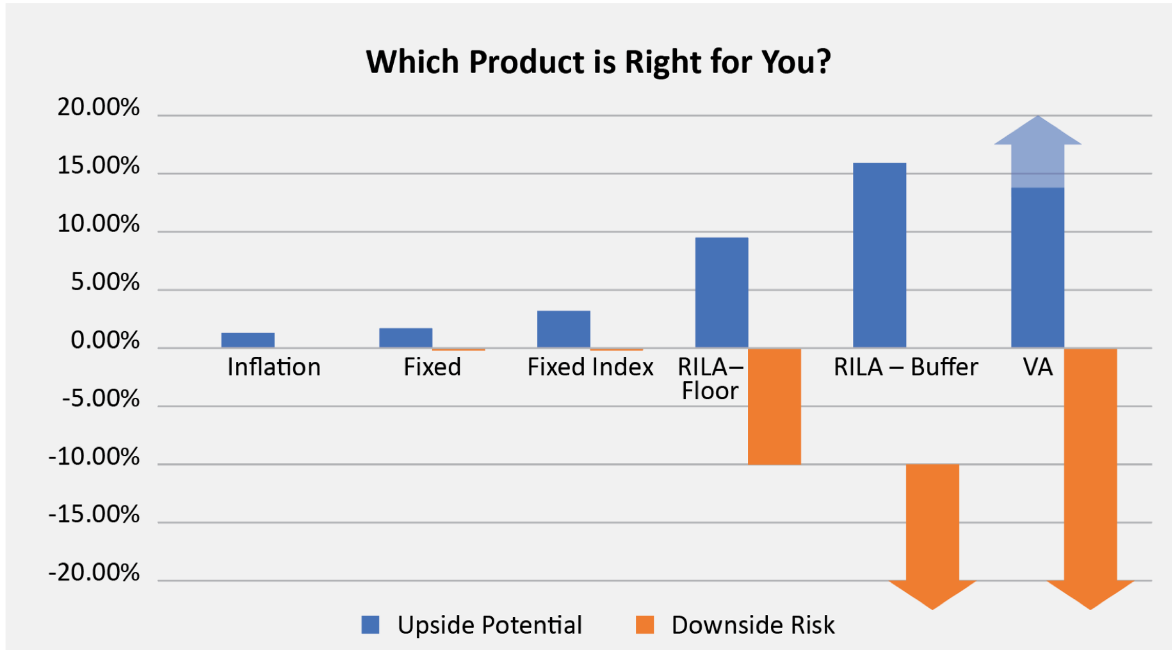


Can Due Diligence Help Sales

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**

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.

Who is Behind Due Diligence Works, Inc.

Michael C. Freeman is the President of Due Diligence Works, Inc. He started the firm to take his years of experience in the Bank Channel, Wire House, RIA and Platform Providers and create a better way.

"There is so much inefficiency and redundant work being done often at a lower quality. Regulatory scrutiny is at an all time high and increasing. By providing a service exclusively focused on Due Diligence, the work can be done at a higher quality, with more scale, and more strategic value."

Prior to Due Diligence Work, Inc he was the Managing Director, Head of Investments for Citi / Smith Barney. He was responsible for Managing the Product Offering, Due Diligence, Views on the Markets, and the Wealth Specialists teams. His Product Management responsibilities include due diligence, management, and distribution of a broad offering including: Mutual Funds, Annuities, Insurance, Capital Markets, Alternatives, Financial Planning, Retirement, Managed Accounts, Brokerage Cash Management and Lending Products.

Prior to joining Citi, Mr. Freeman was a Managing Director at Ameritrade. In his last role at Ameritrade he was responsible for the Investing Clients and Branch Management. He also held senior roles as Head of Products for Institutional and Investing Clients, Chief Operating Officer of Ameritrade Advisory Services, LLC, and as Director of Amerivest Investment Management, LLC (Robo Advisor). Prior to Ameritrade, Mr. Freeman was involved in several start up organizations both in the US and Europe; prior to which, he was a Management Consultant with Ernst & Young LLP. Mr. Freeman holds an M.B.A. with honors from Boston University, and a B.S. from Lafayette College.

Who is Behind Due Diligence Works, Inc.

Jack M. Cramer has been consulting with banks, broker-dealers, insurance companies and mutual fund companies since 1997. His primary focus has been developing training, marketing and coaching programs that increase sales by maximizing the efforts and talents of front-line Brokers, their Sales Managers and the Executive Management Team.

ACHIEVEMENTS

- Built financial services consulting firm with clients that include 15 of the top 30 bank broker-dealers and 7 of the top 10 annuity manufacturers
- Hosts 10+ Industry Roundtables each year bringing leaders together to address industry issues, opportunities and challenges
- Built training, sales support and marketing arm of first TPM to reach $5 billion in annual sales through banks

EXPERIENCE

- 23 years in Financial Services Industry
- Entrepreneur, Consultant, Management, Advisor
- Prominent Thought Leader to Bank Broker-Dealers and Product Manufacturers

MILESTONES

- President, Cramer + Associates, Inc.
- Vice President, Essex Corporation (TPM)
- Financial Advisor, Merrill Lynch

