

Managed Account Fee-Based Annuity Integration

Serve Investors by Providing Holistic Wealth Management

Annuity sales continue to climb, totaling \$241.7B and fueled by \$3.14 billion of fee-based variable annuities in 2019, representing an overall increase from the previous year¹. BNY Mellon | Pershing can help you be a part of this growth by giving you the ability to include fee-based annuities alongside your other advisory investment solutions.

From proposal to performance reporting, our managed account solution makes it easier to include fee-based annuities by integrating our managed account technology with our annuity order entry platform, *Subscribe*®. This streamlined approach allows you to support investors from accumulation through to decumulation in one seamless platform experience. The platform allows you to:

- Create a proposal
- Build a custom allocation mix in a flexible variable annuity model
- Open a managed account
- Purchase an annuity
- Review account oversight and daily detailed holdings and balance updates
- Create on-demand and quarterly performance reporting and fee-based billing

INVESTMENT PROPOSAL

Create a portfolio with a mix of investments including fee-based annuities

ACCOUNT OPENING

Open all accounts utilizing pre-filled paperwork and submit for client signature

MONITORING

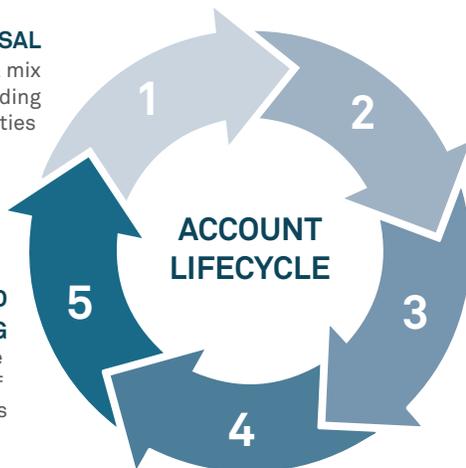
Review annuity account holdings and balances

FEE-BASED BILLING

Calculate fees on the annuity portion of the client assets

PERFORMANCE REPORTING

Generate reports on the annuity within the household of accounts



POTENTIAL ADVISOR BENEFITS

- Provide clients with holistic wealth management across a spectrum of advice
- Access to managed account programs and fee-based annuities in one seamless environment
- Choose from 21+ insurance carriers' fee-based products
- Build and manage fee-based annuity models in client's current risk framework
- Monitor annuity models and managed account investments in one place
- Simplify fees with aggregate billing
- Daily and quarterly performance reporting²
- Single client statement inclusive of annuities

Your managed account and insurance-based solutions can be integrated into Pershing's leading technology platform, *NetX360*.

Through seamless integration in NetX360® and direct connectivity to carriers, you have the potential to increase efficiency and operational savings—but you're not the only one who can benefit. With tax-deferred asset accumulation, access to lifetime income benefits, and a single statement inclusive of annuities, your investors should thank you, too³.

With 70+ fee-based annuity products provided by 21+ carriers (with potential for more), you can provide your investors with options to help meet their investment goals. Want an annuity not available through Pershing? We'll work with you and the carrier to have them added to the annuities order entry platform or deliver the solution via a direct feed.

Firms and advisors who provide a holistic advisory experience that tailors, teaches and motivates action can potentially see an increase in client assets under management as well as revenue. It's time you have a platform that delivers a complete wealth management solution. We would be glad to be the ones providing it.

KEY FEATURES

- Support investors through the entire wealth journey
- Provide a comprehensive investment proposal inclusive of fee-based variable annuities aligned to a defined risk objective
- Detailed analytics and proposal output on fee-based annuity sub-account vehicles based on the proposed/selected allocations
- Effortlessly go from an investment proposal to:
 - Opening an account
 - Purchasing the annuity
 - Monitoring the annuity account holdings and balances
 - Performance reporting on the annuity within a household of accounts
 - Fee-based billing on the annuity portion of the clients assets

IMPORTANT DISCLOSURES

Investments in annuities involve risks, including loss of principal and/or loss of value, and guarantees are subject to the claims paying ability of the issuing insurance company. Annuities may have provisions that limit liquidity options such as surrender penalties for withdrawals made prior to the expiration of the contract surrender schedule, and early withdrawals may be subject to Internal Revenue Service (IRS) penalties.

Investors should carefully consider the investment objectives, risks, charges, fees and expenses of any annuity before investing. This and other important information can be found in the annuity contract, annuity disclosure documents, annuity prospectus and/or the Buyer's Guide, if applicable. These documents may be obtained from the issuing insurance company. Please read these documents carefully and discuss them with your client before investing.

- Stay aligned with the investor's risk objective inclusive of the fee-based annuity
- Currently over 21 insurance carriers offer 70 fee-based annuity products on our platform today (as of October 30, 2020)
- Fee-based annuity products offered by any of the other 50+ insurance carriers on Subscribe can easily be networked via data feed upon request
- Open a managed account through a single process with the fee-based annuity product, includes all pre-filled insurance carrier paperwork and the ability to share for eSignature
- On-demand performance reporting² for any standard time period including point-to-point performance
- Fee-based billing inclusive of annuity products
- Fee-based annuity details included on the monthly consolidated statement

For more information on the managed account fee-based annuities integration contact your relationship manager.

¹ Source: LIMRA Secure Retirement Institute

² Performance reporting for fee-based annuities is available through Albridge Solutions, Inc., an affiliate of Pershing LLC, or a third party vendor of your choosing.

³ Lifetime income benefits require a lifetime income benefit rider or annuitization.