

DOL Fiduciary Rule Readiness and Impact Opinion Poll

Summary Report - Released April 5, 2016

Provided by



Produced by



Executive Summary

Results from 110 participants representing 63 financial institutions and
18 product providers

Survey fielded March 28 – April 1st 2016

In order to gauge the DOL Fiduciary Rule readiness of the bank and credit union channel, as well as their product provider partners, we asked two questions of industry executives. These questions focused on how significantly the DOL rule will impact their businesses and to what extent they have prepared for the inevitable ruling.

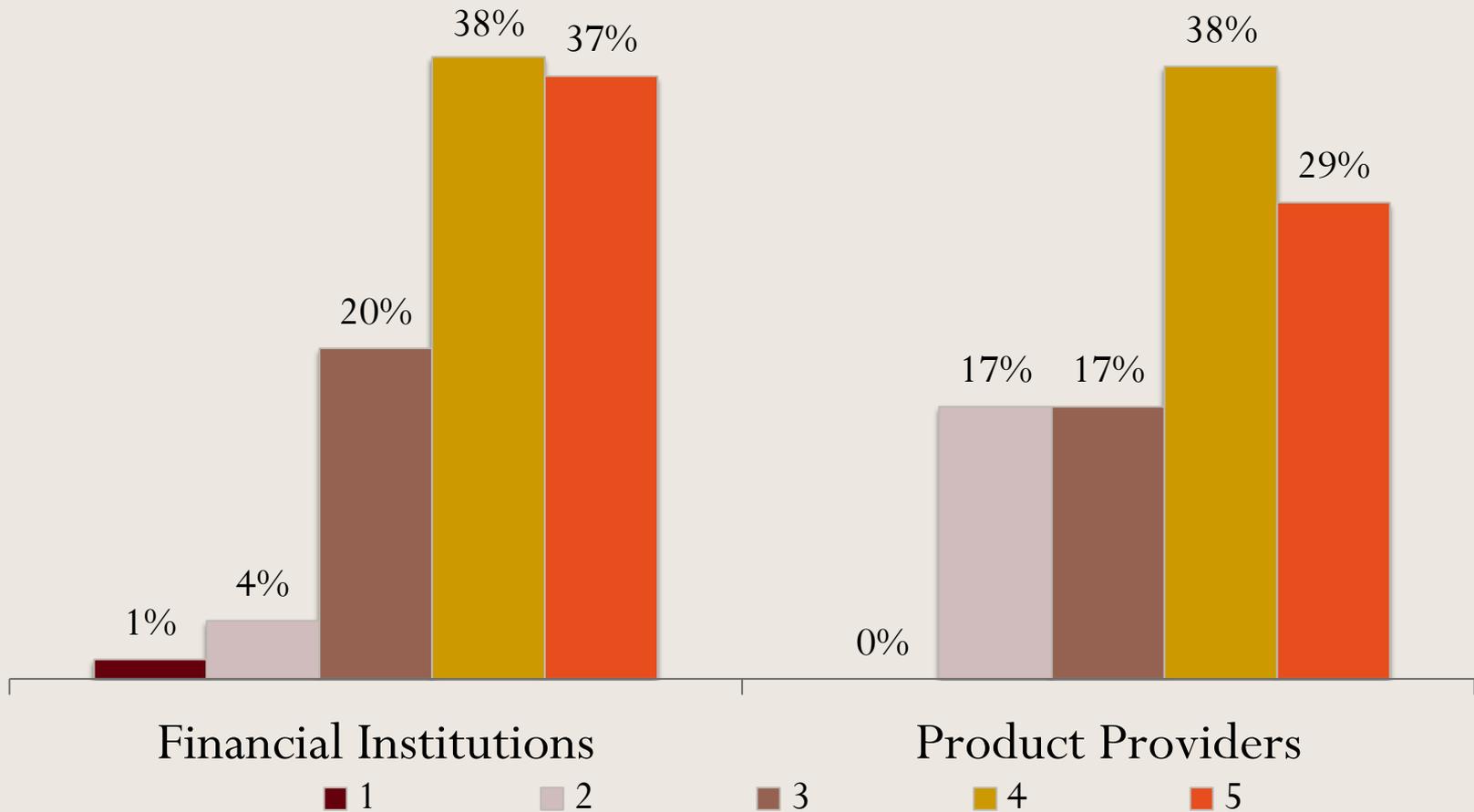
What we found is that **73% of industry executives believe that the DOL Fiduciary Rule will be either very or extremely disruptive to our channel, yet 63% of the executives polled are taking a “wait and see” approach and, at most, have a set of contingency plans being considered.** This is in contrast to the larger players in the financial services industry who have already reacted by taking actions such as sending reports to their advisors on existing IRA accounts subject to commissions with guidance on how to transition, holding fiduciary education sessions for advisors, moving some clients to online and call-center solutions, and prepping to send necessary electronic disclosures to appropriate clients.

Our channel must be more proactive in staying ahead of the curve or we will be caught flat-footed and many firms will experience significant consequences, especially as they face competitors who are more prepared.

What follows are the results of the survey.

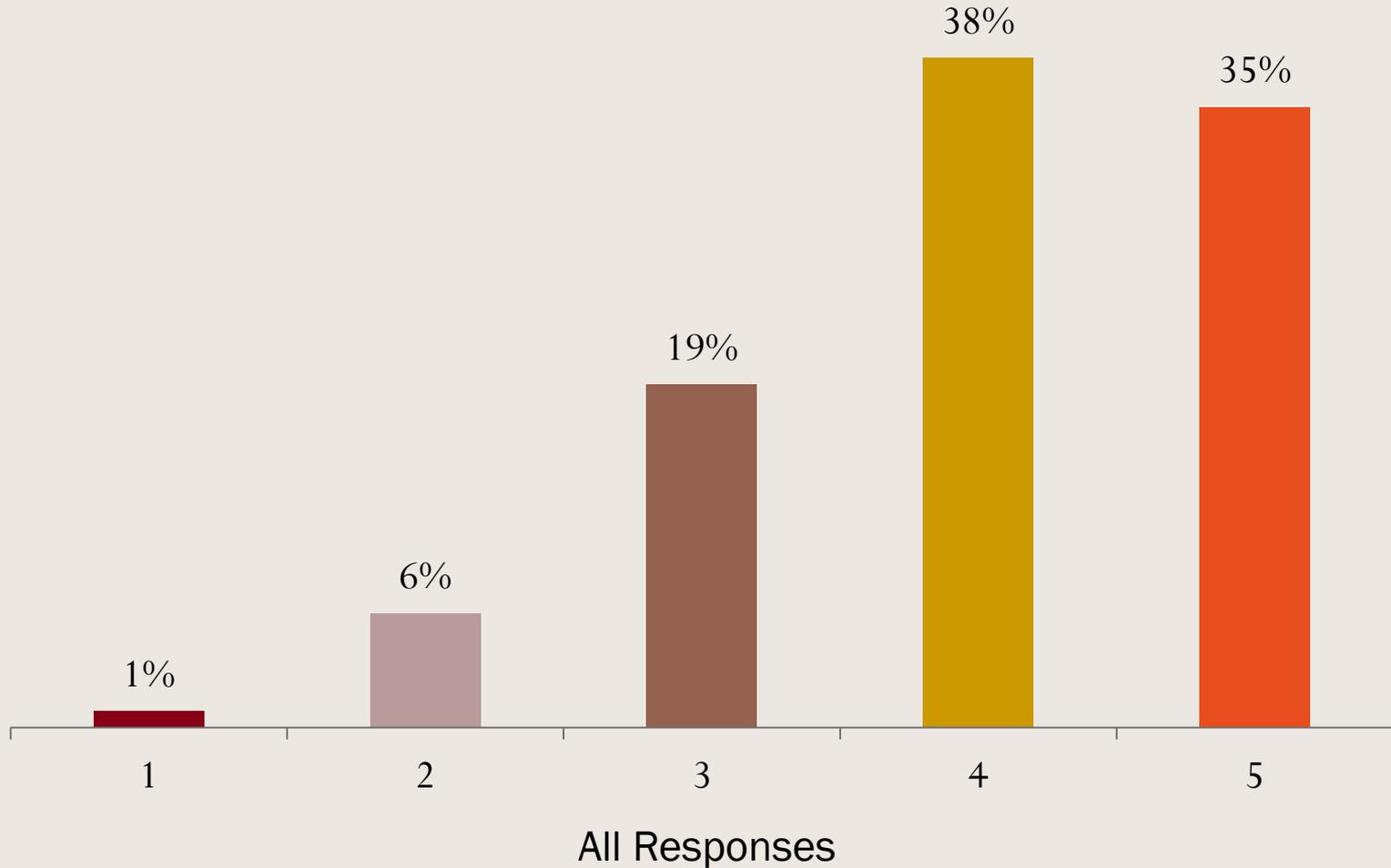
On a scale of 1 to 5, what is your anticipation of how significantly the ultimate DOL ruling will impact your business?

From 1 = "Not much at all" to 5 = "Extremely disruptive"

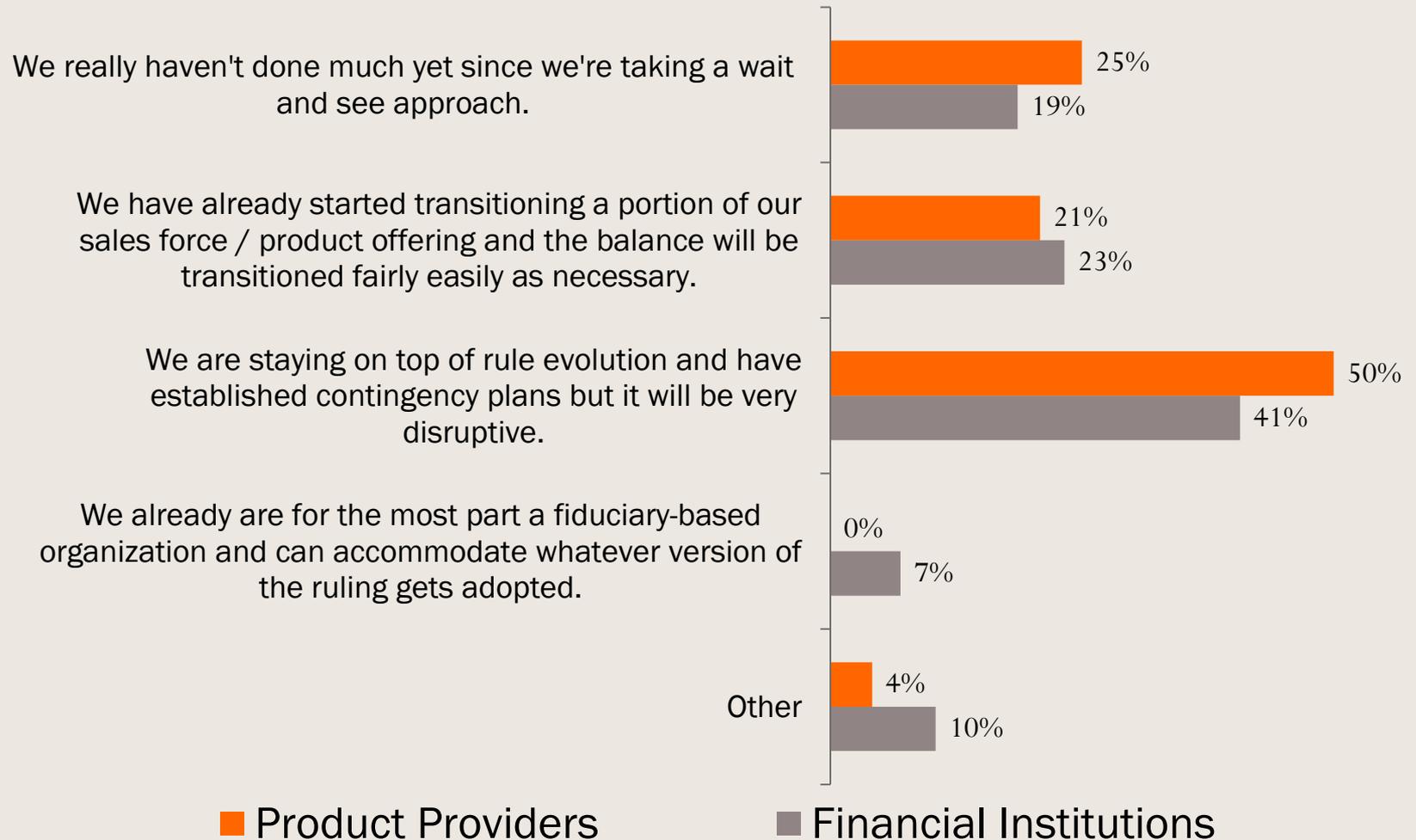


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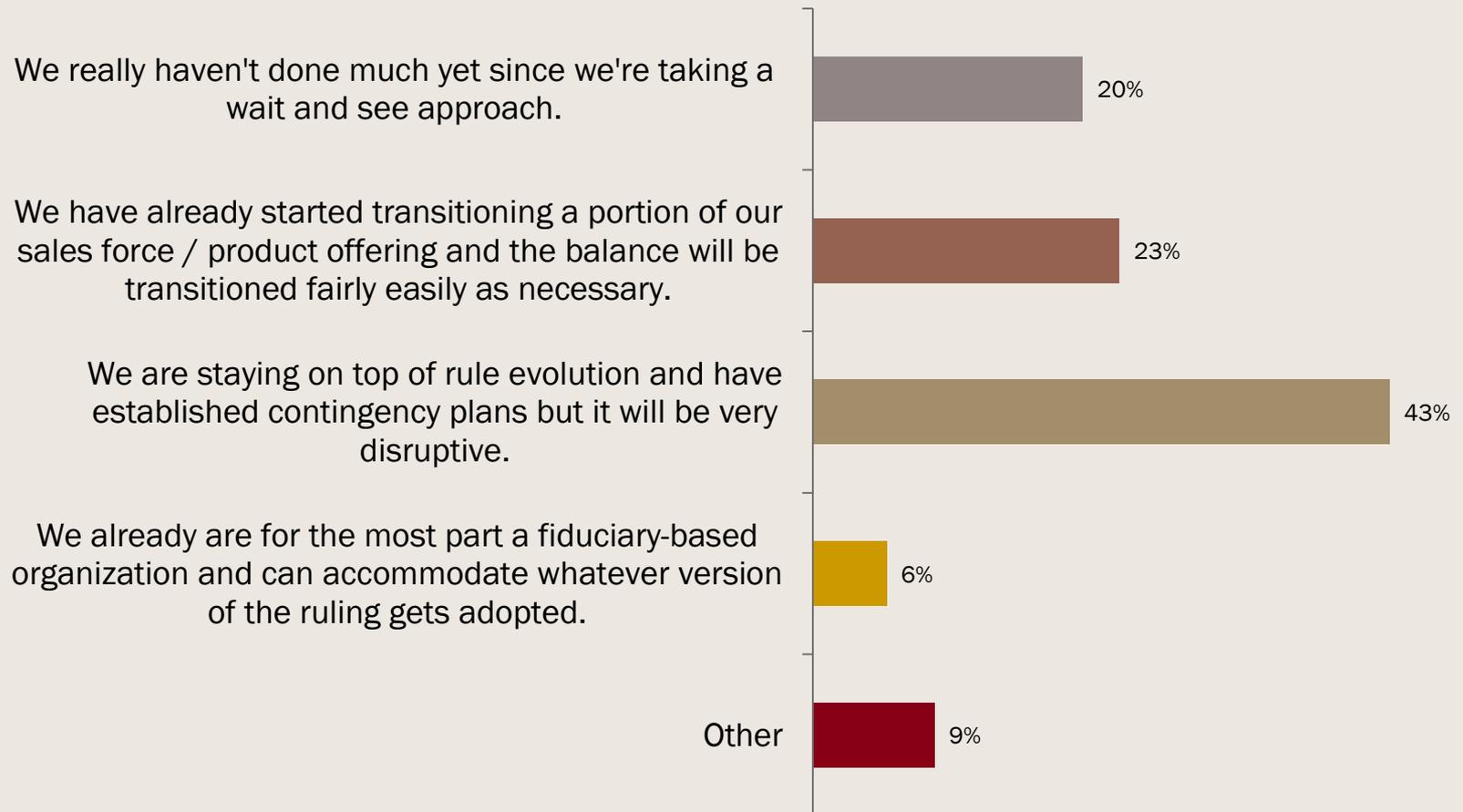
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Which statement below best describes your reaction to-date to the pending DOL Fiduciary Rule?



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All Responses

“Other” Verbatim Statements

- A combination of options 1 & 2: we are on top of the evolution are working on contingency plans and with 24% of our total revenues from fee based assets are already down the fiduciary path.
- Although we are a fiduciary based business we believe we still need to effect significant change to become compliant with ERISA. Our compliance has been more in accordance with the Advisors Act.
- We really haven't done much because we're a small company with limited funds and resources
- We are working with our back office solutions provider and meeting internally to prepare.
- We have engaged 3 consulting firms to meet with us over the next several weeks to get a more detailed understanding of the action plans needed.
- We have established work-streams consisting of all business lines to start to gather information regarding areas that will affect them. The group is meeting weekly to discuss planning.
- We have not done much to prepare; however we already have a strong advisor program and look to leverage further.
- We are in “wait and see” mode but have outlined possible reactions.

Participants

Financial Institutions

| | | |
|-------------------------------------|--|--|
| Alliance Bank | First Niagara Bank | PNC Bank |
| American Airlines Credit Union | First Premier Investment Services | Quad City Bank & Trust |
| Arvest Bank | First Tennessee Bank | Raymond James Financial Services |
| Atlantic Capital Advisors | Flagstar Bank | Regions Bank |
| Bank Of America/Merrill Lynch | Flushing Savings Bank | Santander |
| Beechwood Global | Hancock Investment Services | Southern Bank And Trust Co. |
| BMO Harris | Hudson Valley FCU | Suntrust Bank |
| Bremer Investments | Iberia Financial Services, Llc | Synovus Securities |
| Capital City Bank | Key Investment Services | T Bank, N.A. |
| Capital One Investment Services Llc | Kinecta Financial & Insurance Services | TD Bank Wealth Management |
| Central Bank | Langley Financial Services, LLC | Tech Wealth Management |
| Citibank | Mainsource Bank | The Equitable Bank, SSB |
| Citizens Bank Of RI (CFG) | Mountain America Credit Union | Three Rivers Federal Credit Union |
| Citizens Investment Services | Mutual Financial Investment Services | U.S. Bancorp Insurance Services, Llc |
| Equity Bank | Navy Federal Credit Union | Umb Insurance & Umb Financial Services |
| FB&T Wealth Management | NBT Bank | United Brokerage Services |
| Fifth Third Bank | New York Community Bank | United Prairie |
| First Bancorp | Ocean Financial Services | Us Bancorp |
| First Citizens Investor Services | Orange County'S Credit Union | Waukesha State Bank |
| First Midwest Bank | Partners Federal Credit Union | Wells Fargo |
| First National Bank Of PA | Peoples Securities | Wescom Credit Union |

Product Providers

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|------------------------------------|
| Allianz Life Insurance Company |
| Capital Investment Management |
| Colorado Bankers Life Insurance |
| CUNA Mutual |
| Delaware Life Insurance Company |
| Genworth |
| Liberty Life Assurance Company |
| Midland National |
| Mutual Of Omaha |
| Nationwide |
| Navian Capital |
| NWLFD |
| Pacific Life Insurance Company |
| Principal Financial |
| Prudential |
| Vantis |
| Voya Financial |
| Western & Southern Financial Group |



Red Rock Strategic Partners expects that the DOL Fiduciary Rule will be one of the most disruptive events to occur within our industry. It will have broad impact across multiple business lines within banks, brokerage firms and RIAs, as well as product providers. It will require firms to change processes and procedures within a compressed period of time.

However, we believe that disruption can provide transformative opportunities for your business. There will certainly be measures that will need to be put in place to comply with the specific items addressed within the DOL rule. At Red Rock, we believe that the firms who embrace the change as an opportunity will differentiate themselves in the marketplace. Accomplishing that will require intense focus on execution and change management from advisors, bankers, sales managers and executive leadership. The Red Rock Strategic Partners team has passion and experience driving and supporting the execution of many of the core challenges and opportunities that this ruling will present to your firm. Proven success produces results, and at Red Rock Strategic Partners we, side by side with you, will help you navigate towards flawless execution and desired outcomes.

Please contact Scott Dixon or Jessica Mobley to discuss a working relationship.

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