

# **AXA Distributors Wholesale Distribution Update**

**September 23, 2004**



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*Be Life Confident*

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# Our Mission

*To put AXA products & services  
into the hands of sales  
professionals.....*

*Every Day*

# AXA Distributors Value Proposition



**Leader in the Financial Protection Space**



**Bringing Institutional Fund Management to the Retail Client**



**Significant Provider of Life Insurance to Brokerage General Agent Platform**

# AXA Distributors

- Established Company
- Leveraged Business Model
- Veteran Sales and Relationship Teams
- Proactive Sales Desk
- Competitive Product / Pricing



# AXA Distributors: Wholesale distribution to wirehouses, banks and individual financial planner

Provide accumulation, income and wealth transfer solutions to over 70,000 producers

## Wirehouses & Regionals

Merrill Lynch

Smith Barney

UBS

Wachovia

Advest

## Planners

Linsco Private Ledger

Financial Network  
Invest. Corp.

Securities America

## Banks

Wachovia

Banc of America

Wells Fargo

# AXA Distributors Relationship Model

## PRE – SALE

- New Business Development
- Key Account Relationship Mgmt.
- Channel Marketing
- Product Mgmt.
- Sub-Advisory Relationships

## AT – SALE

- External Wholesalers
- Internal Wholesalers
- Training

## POST – SALE

- Producer Experience
- Technology
- Operations
- Service

**WIREHOUSES**

**FINANCIAL INSTITUTIONS**

**INDEPENDENT FINANCIAL PLANNERS**

**BROKERAGE GENERAL AGENCIES**

**3<sup>rd</sup> PARTY ADMINISTRATORS**

**REGISTERED INVESTMENT ADVISORS**

**PERSONAL PRODUCING GENERAL AGENTS**

# AXA Distributors Relationship Model

## Key Accounts

- Experienced sales and marketing professionals dedicated to specific channels
- Focus on Key Management Stakeholders
- Best Practice Oversight
- Account Acquisition

## Online Wholesaler<sup>SM</sup>

[www.axadistributors.com](http://www.axadistributors.com)

- Run Illustrations
- View Client's Statements
- Utilize Materials & Presentations
- Order Sales Kits
- Access Daily Performance & Rates
- Market Commentaries

## Client

- Gatekeepers
- Back Office
  - Broker
  - Clients

## Inside Wholesaler

- Professional Expertise
- NASD Registered
- State Insurance Licensed
- Technical Assistance
- Product Specialist
- Run Illustrations
- Access to Advanced Markets

## Wholesaler

- Loop/Zone Rotation
- Prospecting Tools & Sales Ideas
- Client Seminars
- Branch Visits
- Case Consultation

# AXA Distributors' relationship-based model relies on 3 pillars:

- Emphasis on frequent client contacts through multiple channels
  - ➔ External wholesalers
  - ➔ Internal wholesalers
  - ➔ Key accounts
  - ➔ Online wholesaler
  
- Ease of doing business with AXA Distributors
  - ➔ Disciplined relationship management
  - ➔ Wholesaler focus by territory and channel
  - ➔ Best-In-Class Technology and Support
  
- Value Engineering through a Solutions-Based Delivery Model

# Integrated Wholesale Product Delivery Model

## AXA Distributors

### Broker/Dealers

#### National Full-Service and Regional Broker/Dealers

- Merrill Lynch
- UBS
- Smith Barney
- Pru/Wachovia
- Dain Rauscher
- Advest

### Banks

#### National and Regional Banks

- Bank of America
- BankOne
- Wachovia
- Quick & Reilly
- Citizens
- Southtrust

### Financial Planners

#### Independent Planning Firms and Insurance B/Ds

- Raymond James
- LPL
- National Planning
- AIG
- ING
- Commonwealth

### MONEY Partners BGAs

#### Brokerage General Agencies

- Bisys
- Highland Capital
- Ins. Designers
- AIM

### Enterprise Fund Distributors

#### All Channels, Mainly Independent Planning Firms

- Raymond James
- LPL
- Morgan Stanley
- MONY
- AXA

\$7.0 billion in 2003 sales

\$157 million in 2003 sales

\$1.0 billion in 2003 sales

# AXA Distributors...A Leader in the Variable Annuity Space

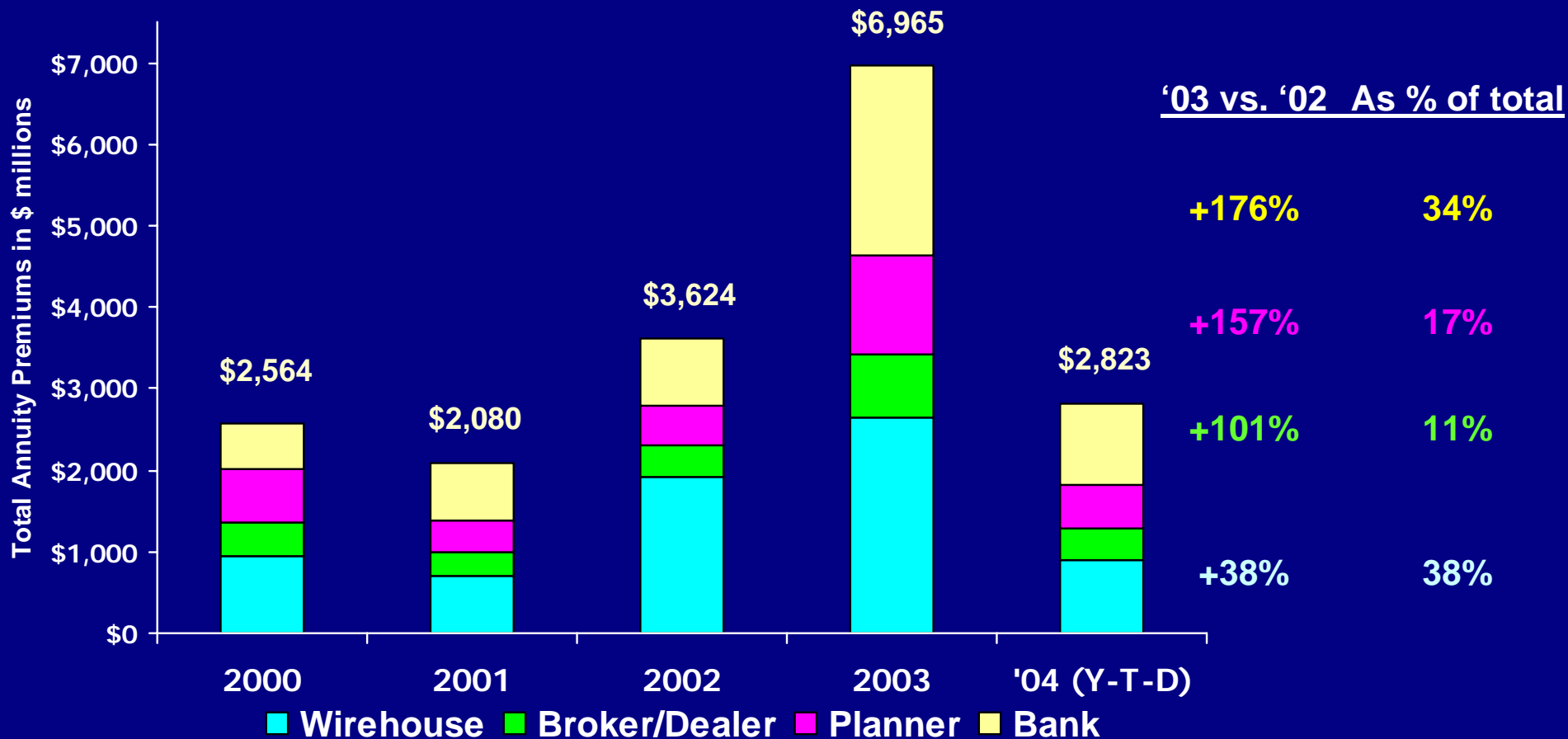
## VARDS RANKING

<u>Company</u>	<u>Sales rank 12/31/03</u>	<u>Sales rank 12/31/02</u>
Hartford Life	1	2
TIAA-CREF	2	1
<b>AXA Equitable</b>	<b>3</b>	<b>6</b>
Metlife/NEF/Gen Am/MLI	4	4
AIG/SunAmerica/VALIC	5	3
Pacific Life Insurance	6	10
ING Group	7	7
Prudential/American Skandia	8	23
Nationwide	9	8
IDS Life Insurance Company	10	9

- Ranked among the Top 3 Annuity Relationships in our Focus Firms

# AXA Distributors' strategy resulted in dramatic 2003 sales growth across the board

## Distribution across diversified channels is a strength



# AXA Distributors – Channel Opportunity

## AXA Distributors VA Sales

	2000	2001	2002	2003	Q1'04
Wirehouse	\$965	\$658	\$1,368	\$2,168	\$460
Planner	\$651	\$521	\$444	\$1,191	\$257
Broker Dealer	\$429	\$255	\$615	\$1,023	\$168
Bank	\$516	\$304	\$610	\$1,772	\$346
<b>Total: ADL</b>	<b>\$2,562</b>	<b>\$1,738</b>	<b>\$3,037</b>	<b>\$6,154</b>	<b>\$1,232</b>

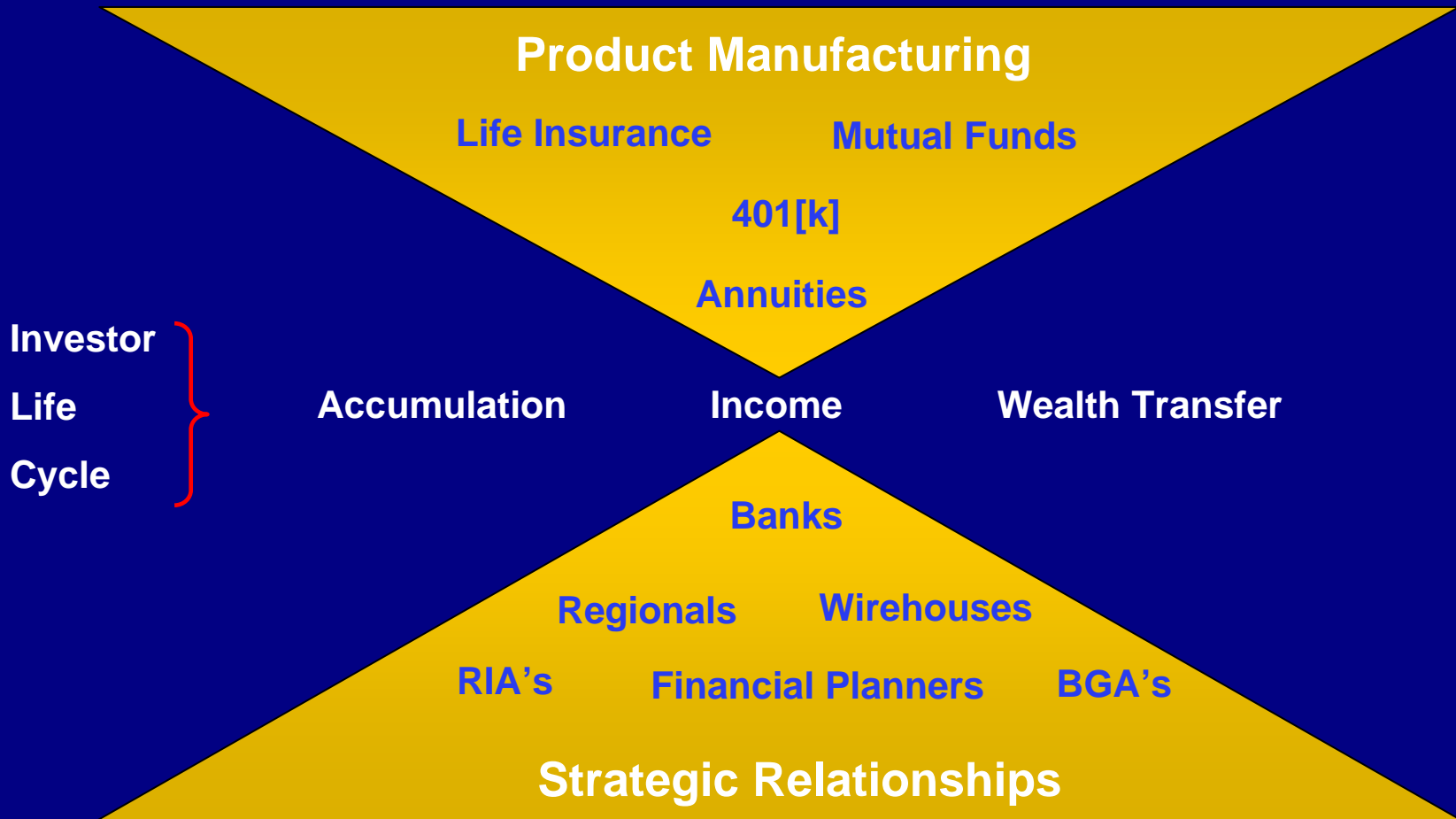
## ADL Market Share

	2000	2001	2002	2003	Q1'04
Wirehouse	6.1%	4.4%	9.2%	13.7%	12.3%
Planner	1.8%	1.9%	1.5%	3.3%	2.3%
Broker Dealer	2.6%	1.7%	4.1%	7.9%	4.8%
Bank	3.2%	2.6%	4.8%	10.3%	7.5%
<b>Total: % of VA Market</b>	<b>3.0%</b>	<b>2.5%</b>	<b>4.2%</b>	<b>7.5%</b>	<b>5.4%</b>
<b>Market Share Rank</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>3</b>	<b>4</b>

# Expanding the Model

- The Future: World-Class Distribution Company
  - Broad Strategic Relationships
  - Solutions-Based Delivery Model
  - Expanded Product Breadth
  - Best-In-Class Technology and Support
  - Profitability \ Expense Management

# Expanding the Model





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