

Earlier this month, Ohio National made an [abrupt and unexpected decision](#) to exit the annuity space, and we've begun learning more details from them about the impacts of this decision for distribution partners like LPL. We'd like to share an update with you about what we've learned and how it will impact your business moving forward.

At the end of 2018, the current selling agreement between LPL and Ohio National and National Security Life and Annuity Company will be terminated and replaced with a servicing agreement. This is significant because it changes the way Ohio National pays commissions.

Specifically, Ohio National will continue to pay commissions on all existing individual annuity contracts, **until December 13, 2018, at which point they will discontinue commissions on individual variable annuity contracts that include a Guaranteed Minimum Income Benefit (GMIB) rider.** The insurance company can also modify the terms of the compensation and the population of annuity contracts for which they will pay future compensation at any time.

We are disappointed by the carve-out of this specific block of business, as we know it will negatively impact you and your business. LPL strongly believes this kind of behavior is unprofessional and disrespectful to business partners and clients.

LPL is your advocate. We are actively challenging Ohio National to reverse their decision regarding compensation. We will make it clear to all of our other annuity partners that the Ohio National decision regarding future compensation is unacceptable. We are currently evaluating all annuity sponsor contracts and seeking to identify anything we can legally change or amend in order to protect your commissions in the future.

We believe Ohio National's poor decision is one that represents only their individual business, but NOT the annuity industry as a whole.

You can count on us to continue exploring options, and we encourage you to check for updates on the Resource Center, or call our annuity consulting team at extension 7800, option 2, with additional questions.



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