

LPL ERISA RETIREMENT PLAN SERVICE PROVIDER DISCLOSURE INFORMATION – APPLICABLE ONLY TO ERISA PLANS OPENING A BROKERAGE ACCOUNT AT LPL

This information is being provided to you as the sponsor or other responsible fiduciary of a retirement plan ("Plan") subject to the Employee Retirement Income Security Act of 1974 ("ERISA") that maintains an investment account at LPL.

For more information regarding the services that LPL may make available to the Plan pursuant to this Agreement, the product providers that participate in sponsorship programs described below and any related compensation, please refer to the Third Party Compensation and Related Conflicts of Interest section of LPL's website (www.lpl.com) and any related disclosures, documents or other agreements you receive in connection with the Plan's investments. Please review this disclosure document in conjunction with such other related disclosures, documents or other agreements. If you have any questions concerning this disclosure document or the information provided to you concerning our services and compensation or require copies of any documents referenced herein, please ask your Advisor or LPL Client Services at (800)-558-7567.

I. SERVICES OF LPL FINANCIAL

LPL acts as the broker-dealer of record on the account and also provides custody of the assets in the Plan's account. LPL is responsible for providing the periodic statements for the Plan's account. LPL is a broker-dealer registered with the Securities and Exchange Commission. LPL is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investors Protection Corporation ("SIPC").

LPL does not provide investment advice to the Plan and is not acting as an investment advisor registered under the Investment Advisers Act of 1940 or under state investment advisor laws. LPL does not provide services as a "fiduciary" under section 3(21) of ERISA, section 4975 of the Internal Revenue Code or other applicable law.

II. COMPENSATION

A. Distribution and/or Shareholder Servicing Payments – For certain of our services, we are paid by third parties rather than or in addition to being paid directly by the Plan. For example, a mutual fund underwriter or distributor, or other product sponsor may pay LPL an ongoing amount that is based on the value of the Plan's investment in the product. These ongoing payments are often called distribution and/or service fees, 12b-1 fees or trails. They are paid for LPL's distribution-related services and/or shareholder servicing, and are made pursuant to LPL's agreement with the payer. Such trail compensation and the payer of such compensation are described in the prospectus or other offering document of the investment product provided to the Plan in connection with the investment and, for mutual funds, in the fund's Statement of Additional Information, which is available on the fund's website or upon request directly to the fund.

- (a) Mutual Funds. For mutual funds, the ongoing payment depends on the class of shares but is typically between 0.25% and 1% of assets annually.
- (b) Alternative Investments. For alternative investment products, such as private funds, trail payments may be as high as 1.25% on an annual basis. Trail payments for managed futures funds can be as high as 2% annually.

B. Cash Sweep – LPL automatically transfers cash deposits, including money waiting to be reinvested such as dividends, incoming cash deposits and money from sell orders, in the Customer's account into an interest bearing account, such as a bank account or a money market fund. LPL offers two FDIC insured sweep programs and multiple money market fund options, depending on the Customer's account type. For more information, please see the applicable ICA disclosure booklet.

- (a) Insured Cash Account (ICA). LPL offers a service to sweep cash held within customer brokerage accounts into an interest-bearing FDIC insured cash account. Under its agreement with each bank in which LPL deposits customer cash, LPL receives a fee from the banks equal to a percentage of the average daily deposit balance in the ICA. The fee paid to LPL may be at an annual rate of up to an average of 4.00% as applied across all deposit accounts taken in the aggregate; therefore, on some accounts, fees to LPL may be higher or lower than this average percentage amount. The compensation LPL receives on ICA may be higher than the compensation available to LPL from an alternative sweep investment option. LPL receives compensation from each bank in which an account has an ICA, as shown in the periodic account statement.
- (b) Money Market Funds. For accounts not eligible for ICA, cash balances can be automatically invested in a money market fund. The money market mutual fund automatic cash sweep program sweeps uninvested cash daily into taxable and tax-



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exempt money market funds offered by J.P. Morgan Asset Management and Federated Services Company. LPL receives compensation of up to 0.16% of Customer Assets invested in J.P. Morgan Asset Management money market funds and up to 0.35% of Customer Assets invested in Federated Services Company money market funds. The sweep money market funds generally pay 12b-1 fees higher than other money market funds. The 12b-1 fees and the payer of such fees are set out in the prospectus of the money market fund.

- (c) Non-Sweep Money Market Mutual Funds. Clients are able to invest cash balances in a limited number of money market mutual funds other than as part of a sweep arrangement (such funds, "Non-Sweep Money Market Funds"). Depending on interest rates and other market factors, investment returns of money market mutual funds have been, and may continue in the future to be, lower than the aggregate fees and expenses charged by LPL in connection with the transaction. This may result in a client experiencing a negative overall investment return with respect to cash reserves invested in the Non-Sweep Money Market Funds. Clients should understand that in many cases the share class offered for a particular Non-Sweep Money Market Fund charges higher fees and expenses than other share classes that are offered by the same Non-Sweep Money Market Fund but are not available on LPL's platform. A share class is selected by LPL, in certain cases, because the Non-Sweep Money Market Fund pays to LPL a portion of the fees and expenses charged by the money market fund as compensation for the administrative, shareholder servicing, and recordkeeping services LPL provides with respect to LPL clients who invest in the share class. LPL receives compensation for the LPL client assets invested in the Non-Sweep Money Market Funds for recordkeeping, shareholder servicing and administrative services it provides for the funds and in connection with marketing support services LPL provides to the fund sponsors as described in this document. This compensation is retained by LPL and is not shared with LPL Financial Advisors.

Unlike other types of mutual funds available on LPL's platform, LPL makes available Non-Sweep Money Market Funds from only a limited number of mutual fund sponsors. By making available a limited number of Non-Sweep Money Market Funds, LPL is able to negotiate greater compensation from the fund companies for services it provides to the funds. Because of the limited number of Non-Sweep Money Market Funds available on the platform and the fees paid by those funds, other money market mutual funds not available through LPL's brokerage platform are likely to have higher returns than the Non-Sweep Money Market Funds.

C. **Float** – As part of its brokerage services, LPL holds customer assets. Accordingly, LPL may receive compensation in the form of earnings on its short-term investment of cash in Plan accounts prior to the time the cash is invested for the Plan. These earnings are generally known as "float." Cash in the account would typically result from contributions to the account or sales of securities in the account. LPL may also receive float on outstanding checks after they are issued by LPL to the Plan and before they are presented for payment. LPL retains float as additional compensation for its services.

D. **Markups** – When LPL acts in a principal capacity, it receives a markup or markdown on the transaction. This means, for example, if LPL sells a security at a price higher than what LPL paid, LPL will earn a markup. Conversely, if LPL buys a security at a price lower than what LPL sells it for, LPL will receive a markdown. The maximum markup or markdown that LPL may receive when acting in a principal capacity in the Account is \$2.00 per bond. In many cases, this maximum does not apply, and the actual markup or markdown is lower, typically \$1.00 per bond. Details about a markup or markdown for a particular transaction will be furnished upon request.

E. **Subtransfer Agent, Recordkeeping and Investment Processing Fees** – When LPL is the broker-dealer for the Plan on the books and records of a mutual fund, the fund or an affiliate of the fund may pay LPL a networking fee that is based on the number of LPL customer positions held in the fund, including the Plan's position with the fund. LPL may receive a processing fee of up to \$12 per position per year.

LPL performs omnibus recordkeeping and administrative services on behalf of mutual funds and receives compensation for the services based on positions held by customers. These services include establishing and maintaining sub-account records reflecting the purchase, exchange or redemption of shares by each LPL customer account. These services are provided pursuant to an agreement between LPL and the fund or an affiliate of the fund. The compensation LPL receives for these services may be



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paid based on customer assets in the fund (up to 0.40% on an annual basis) or number of positions held by customers in the fund (up to \$25 per position). This recordkeeping compensation is paid to LPL by the fund or an affiliate of the fund. An updated list of the investment sponsors who pay such fees and updated information about such compensation may be found at www.lpl.com, by clicking on Disclosure and then Third Party Compensation and Related Conflicts of Interest.

F. Product Onboarding Fees. LPL charges a setup fee to Product Sponsors when adding new investment products or share classes of an investment product to LPL's investment platforms. Setup fees for investment products are as follows:

Product Categories	LPL Onboarding Compensation
Mutual Funds	<ul style="list-style-type: none">• Up to \$40,000 comprised of:<ul style="list-style-type: none">▫ Up to \$15,000 as a due diligence fee, and▫ Up to \$5,000 per fund to a maximum of \$25,000
Alternative Investments	<ul style="list-style-type: none">• Up to \$30,000 for initial products, and• Up to \$15,000 for follow-on product offerings or additional share classes
Exchange Traded Products (ETP's)	<ul style="list-style-type: none">• Up to \$7,500 per fund

(a) Revenue Sharing Program. In addition to the compensation described above, LPL receives under LPL's sponsorship programs compensation (sometimes referred to as "revenue sharing") from the product providers and/or their affiliates of mutual funds, alternative investments, and annuities, some of which may be in connection with LPL's arrangement with the Plan. LPL receives revenue sharing payments from investment sponsors who participate in LPL's Sponsorship Programs. These arrangements support LPL's product marketing and financial advisor education and training efforts, and allow investment sponsors to communicate with Advisor and employees so that the sponsor can promote such funds or products. The arrangements also allow the investment sponsor's products in certain cases to benefit from lower transaction charges typically paid by the financial advisor and/or customer. These payments are typically calculated as a fixed fee, as an annual percentage of the amount of assets invested, as a percentage of annual new sales, or as a combination. Your Advisor does not receive any part of these sponsorship program payments unless specifically stated below.

- (i) Mutual Fund Sponsors. LPL receives compensation from the distributors or other affiliates of mutual funds that are available to LPL customers. In the case of mutual funds, LPL receives compensation of up to 0.25% on an annual basis of customer assets invested with a mutual fund family.
- (ii) Alternative Investment Providers. LPL receives compensation from alternative investment providers that are available to LPL customers. These payments are made in connection with programs that support LPL's marketing and sales force education. LPL receives a due diligence or marketing allowance fee on an annual basis of up to 0.35% of customer assets invested in managed futures funds, hedge funds and private equity and up to 1.50% of sales or customer assets invested in other alternative investments.
- (iii) UITs. LPL receives fees, often referred to as volume concessions, from UIT sponsors that are based on a percentage of sales volume. These fees are set by the UIT sponsor and vary. The UIT prospectus contains detailed descriptions of these additional payments.

G. Miscellaneous Fees and Charges – LPL applies miscellaneous fees and charges that are set out in the Miscellaneous Fee Schedule that was provided to you when the Plan opened the account. These fees are direct fees charged to the Plan's account. The Miscellaneous Fee Schedule can be found at lpl.com/disclosures.html and may be changed by LPL upon notice to customers. If LPL's brokerage services described above to the Plan are terminated, there may be a termination fee that applies to your account as outlined in the Miscellaneous Fee Schedule.

H. Other Compensation – In addition, although not in connection with any particular LPL customer, LPL and LPL employees may receive compensation from investment product sponsors. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, client workshops or events, or marketing or advertising initiatives for employees. Product sponsors also may pay for, or reimburse LPL



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for the costs associated with, education or training events that may be attended by LPL employees and representatives and for LPL-sponsored conferences and events. LPL also receives reimbursement from product sponsors for technology-related costs associated with investment proposal tools it makes available for use with customers. For more information regarding other types of compensation that LPL may receive in connection with its business activities, please visit www.lpl.com, click on Disclosure and then Third Party Compensation and Related Conflicts of Interest.

I. Error Correction – In the event a trade error occurs in an account, and such error is determined to be caused by LPL, LPL will cancel the trade and remove the resulting monetary loss to a client from the account. If a trade correction is required as a result of a client (e.g., if a client does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), LPL will cancel the trade and any resulting monetary loss will be borne by the client. In the case of a trade that requires a correction as described above and that resulted in a monetary gain to the client, such gain may be removed from the account and may result in a financial benefit to LPL.

Please consult the “Retirement Plans and Individual Retirement Accounts Disclosures” on lpl.com/disclosures.html for the most current ERISA 408(b)(2) disclosures. LPL posts any changes to its ERISA 408(b)(2) disclosures on its website from time to time. LPL may not notify you when these changes are made and it is your responsibility to consult the website to learn about any changes that have been made to these disclosures. If you are unable to access the website or require paper copies of any documents referenced herein, please contact your Advisor or LPL Client Services at (800) 558-7567.

