

## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

This disclosure document ("Disclosure Document") describes compensation ("Third Party Compensation") received by LPL Financial LLC ("LPL") from third party product providers and their affiliates ("Product Sponsors") in connection with financial products and services offered by LPL to its brokerage and advisory customers ("Customers"). The amount of Third Party Compensation can vary depending on many factors, including but not limited to the type of investment product (e.g., mutual fund, variable annuity, etc.), the Product Sponsor, and whether the Product Sponsor participates in any of LPL's Marketing Support Programs. The form of Third Party Compensation can also vary. In some cases, Third Party Compensation is a one-time payment based on new sales of interests in products ("Sales"), and in other cases, Third Party Compensation is received on an ongoing basis as a percentage of assets owned beneficially or of record by Customers or for which LPL is the broker/dealer of record ("Customer Assets"). Occasionally, Third Party Compensation is based on a combination of Sales and Customer Assets.

In general, Third Party Compensation is in addition to other product-related fees paid by the investor, including upfront or ongoing commissions or concessions. Third Party Compensation may be paid by the investment fund, investment sponsor, or an affiliate, but generally represents an expense embedded in the investment that is born by investors.

Like all financial services companies, LPL has conflicts of interest. As an LPL Customer, it is important to understand that LPL's receipt of Third Party Compensation creates a conflict of interest for LPL, which means that there is an incentive for LPL and/or its financial advisors ("Advisors") to recommend investment products that pay Third Party Compensation. The variations between amounts and forms of Third Party Compensation also create an incentive for LPL and/or its Advisors, for example, to recommend holding products which pay Third Party Compensation to LPL as an ongoing percentage of Customer Assets.

Customers should read carefully this Disclosure Document and any other related disclosures, including but not limited to any offering documents related to the Customer's investments. Customers should also be aware that there may be additional conflicts of interest that are not addressed below. Unless otherwise stated below, all compensation amounts are annualized and the compensation received by LPL is not shared with your Advisor. Any questions concerning LPL's services, compensation, or this Disclosure Document (including requests for copies of documents referenced below) should be directed to your Advisor or LPL Customer Services at (800)-558-7567.



## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

1. **Marketing Support Programs.** LPL receives Third Party Compensation in connection with programs that support LPL marketing and sales force education and training efforts, such as LPL’s annual national sales and education conference and other conferences (“Marketing Support Programs”). Marketing Support Programs are offered in multiple tiers, which means that Product Sponsors pay different amounts of Third Party Compensation and as a result receive different levels of benefits. The amount of Third Party Compensation received from a Marketing Support Program for various financial products offered by LPL is as follows:

Product Categories	LPL Marketing Support Compensation	Advisor Compensation
Mutual Funds	• Up to 0.25% <sup>1</sup> of Customer Assets	None
Variable Annuities	• Up to 0.15% of Customer Assets, and/or • Up to 0.35% of new Sales	None <sup>2</sup>
Fixed Annuities and Fixed Indexed Annuities	• Up to 0.25% of Customer Assets, or • Up to 0.50% of new Sales	None
Alternative Investments <sup>3</sup>	• Up to 0.35% of Customer Assets, and/or • Up to 1.50% of new Sales	None <sup>4</sup>
Retirement Plans	• Up to \$260,000 as a fixed fee <sup>5</sup>	None

Product Sponsors that participate in Marketing Support Programs are as follows:

### Mutual Funds:

1290 Funds	Calamos	Goldman Sachs
361 Capital	Calvert	Guggenheim
AB	Carillon	Hartford
Aberdeen	Catalyst Funds	Highland
Advisors Asset Management	Cohen & Steers	Horizon Investments
Alger	Columbia	ICON
Allianz	Delaware	Invesco
AlphaCentric	Dreyfus / BNY Mellon	Ivy
American Beacon	Dunham	Janus
American Century	DWS (Deutsche)	John Hancock
American Funds	Eaton Vance	JP Morgan
AMG / Managers	Empiric	Legg Mason
API /Yorktown	Federated	LoCorr
Artisan Partners	Fidelity	Lord Abbett
BlackRock	First Eagle	Mainstay (New York Life)
BMO	First Investors (Foresters)	MFS
Brinker Capital	Forward / Salient	Morgan Stanley
Buffalo Funds	Franklin Templeton	Nationwide

<sup>1</sup> LPL also receives up to \$10 per trade ticket charge for each brokerage purchase of a mutual fund participating in a Marketing Support Program. American Funds Distributors, Inc. compensates LPL in accordance with the terms of a letter of understanding. LPL receives compensation of up to 0.035% on an annual basis of customer assets invested with American Funds as determined by American Funds Distributors, Inc. at its discretion. LPL is also eligible for a flat annual payment of up to \$5,000,000 from American Funds Distributors, Inc. as support for LPL’s product marketing and Advisor education and training efforts in connection with the sale of American Funds products. For funds that pay based on new sales, compensation to LPL will not exceed the sum of (a) .10% of Sales, and (b) 0.03% of Customer Assets.

<sup>2</sup> Ticket charges for variable annuities vary across LPL’s brokerage platform. If the Product Sponsor of a variable annuity pays Third Party Compensation under certain Marketing Support Programs, LPL waives the ticket charge for purchase orders of its variable annuities placed through LPL’s annuity order entry system.

<sup>3</sup> This category of financial products includes but is not limited to: real estate investment trusts (REITs), business development companies (BDCs), managed futures, hedge funds and private equity funds.

<sup>4</sup> In general, this compensation is not shared with your Advisor. In certain circumstances where no commission is paid, in order to compensate the Advisor, LPL may share a portion of the marketing allowance of up to 0.50%.

<sup>5</sup> This payment is a flat amount and is not received in connection with any particular LPL customer or Customer Assets.



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NATIXIS  
Neuberger Berman  
Nuveen  
Pacific Life  
Parnassus  
PIMCO  
Pioneer  
Power Income (W.E. Donoghue)  
Principal  
Prudential

Putnam  
Rational Fund  
Royce & Associates (Legg  
Mason)  
Russell  
Stadion  
SunAmerica / AIG  
Swan Capital Management  
T. Rowe  
Thornburg

TIAA  
Touchstone / Sentinel  
Transamerica  
Transparent Value  
Van Eck  
Victory  
Virtus  
Voya  
Wells Fargo

### Variable Annuities:

AIG  
Allianz  
AXA  
Brighthouse (MetLife)  
Global Atlantic (Forethought)  
Hartford  
Integrity

Jackson National  
John Hancock  
Lincoln Financial  
Mass Mutual  
Nationwide  
New York Life  
Pacific Life

Principal  
Protective  
Prudential  
River Source  
Sammons  
Transamerica  
Voya

### Fixed Annuities:

AIG  
Allianz  
Allianz  
American National  
Global Atlantic (Forethought)  
Great American  
Jackson National  
Knighthead Annuity (offshore)

Liberty Mutual  
Mass Mutual  
New York Life  
Pacific Life  
Principal  
Prosperity Life / S.USA LIFE  
Prosperity Life / S.USA LIFE  
Prosperity Life/SBLI

Protective  
Reliance Standard  
Sammons  
Symetra  
The Standard  
Western & Southern / Integrity

### Fixed Indexed Annuities:

AIG  
Allianz  
American National  
Global Atlantic (Forethought)  
Great American  
Jackson National  
Knighthead Annuity (offshore)

Nationwide  
Pacific Life  
Prosperity Life / S.USA LIFE  
Prosperity Life / S.USA LIFE  
Prosperity SBLI  
Protective  
Prudential

Reliance Standard  
Sammons  
Symetra  
The Standard  
Transamerica  
Western & Southern / Integrity

### Alternative Investments:

Alkeon  
Altegris  
Black Creek  
Blackstone  
Bluerock  
Campbell and Company  
Central Park Group  
CIM (COLE)

Eaton Vance  
FS Investment Solutions  
Goldman Sachs  
Griffin Capital  
Hines  
Invesco  
Invesco  
Ironwood

Jones Lang LaSalle  
Morgan Creek  
Neuberger Berman  
Nuveen  
Owl Rock  
Resource  
RREEF (DWS)  
Starwood



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Steben & Company

The Carlyle Group

### Retirement Plan:

American Century

Invesco/AIM

Principal

Ameritas

Ivy Funds

Russell Investments Financial

Ascensus

Janus

Services, LLC

AUL/One America

John Hancock

Schwab

AXA

JP MORGAN

Securian

Benefit Plans Administrative

Lincoln

T Rowe DCIO

BLACKROCK

Mass Mutual

T Rowe RK

CUNA

Mutual of Omaha

Vanguard

Franklin Templeton

Nationwide

Voya

Goldman Sachs

Paychex

2. **Recordkeeping.** LPL receives compensation from mutual funds for providing recordkeeping and related services to the funds.<sup>6</sup> In general, LPL receives Third Party Compensation for providing recordkeeping services and therefore has an incentive to recommend mutual funds that pay for these services. In addition, mutual funds that pay for recordkeeping services may carry a reduced ticket charge or no ticket charge on LPL's platforms.<sup>7</sup> In cases where the Advisor is paying the ticket charge,<sup>8</sup> the Advisor is incentivized to select mutual funds with lower ticket charges which will result in Third Party Compensation for LPL. Recordkeeping compensation is as follows:

Product Categories	LPL Recordkeeping Compensation
Mutual Funds	<ul style="list-style-type: none"> <li>• Up to 0.30% of Customer Assets, or</li> <li>• Up to \$25 per Customer position</li> </ul>

Mutual funds that receive recordkeeping services are as follows:

1290 Funds

Adirondack Funds

American Beacon Funds

13D Activist Funds (Northern Lights Fund Trust)

AdvisorOne Funds

American Century Services, LLC

1919 Funds (Trust for Advised Portfolios)

Advisors Preferred Trust

American Funds (AFS)

361 Capital Funds (Investment Managers Series Trust)

Advisory Research Funds (Investment Managers Series Trust)

American Independence Funds  
American Pension Investors Trust (API)

AAM-Bahl & Gaynor (Investment Managers Series Trust)

AllianceBernstein (AB)

AMG Funds

Abbey Capital Funds (The RBB Fund, Inc.)

Allianz Global Investors Fund Management, LLC

Anfield Capital Management, LLC

Aberdeen Funds

AlphaCentric Funds (Mutual Fund Series Trust)

Angel Oak Funds Trust

Absolute Strategies (Forum Funds)

ALPS Portfolio Solutions

Appleseed Funds (Ultimus Asset Services, LLC & Pekin Singer

ACR Funds (Investment Managers Series Trust II)

Distributors, Inc.

Strauss Asset Management, Inc.)

Altegris Funds (Northern Lights Fund Trust)

AQR Funds

AmericaFirst Quantitative Funds

Aquila Distributors, Inc.

Arbitrage Funds

<sup>6</sup> These services include establishing and maintaining sub-account records reflecting the purchase, exchange or redemption of shares by each LPL customer account. These services also include the consolidation of Customers' trades into one daily trade with a fund, which requires LPL to maintain all pertinent individual shareholder information for the fund, including the transaction history necessary to track and process sales charges, annual service fees, and applicable redemption fees and deferred sales charges for each position, as well as other transaction details required for ongoing position maintenance purposes. If LPL does not provide recordkeeping services to a mutual fund family, then fund shares are traded on a networked basis, which means LPL submits a separate trade for each individual customer trade to the fund and, therefore, LPL maintains only certain elements of the fund's shareholder information.

<sup>7</sup> Customers should be aware that some mutual funds offered by LPL may be purchased without a ticket charge by processing the transaction with a check and application sent directly to the mutual fund.

<sup>8</sup> Advisors pay for ticket charges on some of LPL's platforms, including but not limited to LPL's Strategic Asset Management II and Strategic Wealth Management II accounts.



## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Arrow Investments Trust  
Artisan Partners  
Ashmore Investment Management  
Astor Funds (Northern Lights Fund Trust)  
AXS Funds (Investment Managers Series Trust II)  
Azzad Funds  
Baillie Gifford  
Balter Funds (Northern Lights Fund Trust II)  
Barings Funds  
Baron Investment Funds Trust  
BBH Funds  
Beck Mack And Oliver (Forum Funds)  
Blackrock Advisors LLC  
Blackstone Funds  
Bluerock Total Income+ Real Estate Fund  
BMO Investment Distributors, LLC  
Boston Partners Funds (The RBB Fund Inc.)  
Boyd Watterson (Northern Lights Fund Trust III)  
Bramshill Funds (Trust for Advised Portfolios)  
Bright Rock Funds  
Brinker Capital Destinations Trust  
Brookfield Investment Funds  
BTS Tactical Funds (Northern Lights Fund Trust)  
Buffalo Funds  
Calamos Advisors, LLC  
Calvert Investment Management Inc.  
Carillon Funds  
Castle Focus Fund (PFS Funds)  
Catalyst Funds (Mutual Fund Series Trust)  
Cavalier Fund  
Cavanal Hill Funds  
CBOE Vest Funds (Commonwealth Fund Services, Inc.)  
Cedar Ridge Funds (Investment Managers Series Trust II)  
Centerstone Investors Trust  
Centre Funds  
Charles Schwab Investment Management  
Clipper Fund, Inc.  
Cognios Funds (Alps Series Trust)  
Cohen & Steers Capital Management, Inc.  
Columbia Management Investment Services Corp  
Community Capital Management, Inc.  
Congress Funds  
Convergence Funds (Managed Portfolio Series/Trust for Professional Managers))  
Copeland Trust  
Counterpoint Mutual Funds, LLC  
Crawford Funds (Unified Series Trust)  
Credit Suisse Asset Management  
CRM Funds  
Crossmark Distributors, Inc.  
Cullen Funds Trust  
Davis Selected Advisors  
Day Hagan  
Dean Investment Associates  
Dearborn Partners Rising  
Dividend Fund  
Delaware Investments Fund Services Company  
Destra Capital Investments LLC  
Deutsche Asset & Wealth Management  
Diamond Hill Fund  
Direxion Funds  
Domini Funds  
Doubleline Funds Trust (Quasar Distributors, LLC)  
Driehaus Securities LLC  
Eaton Vance Management  
Edgewood Management LLC  
Emerald Funds (Financials Investors Trust)  
Empiric Advisors, Inc.  
Equinox Funds Trust  
Eventide Funds (Mutual Fund Series Trust)  
Evermore Funds Trust  
Federated Securities Corp  
Fidelity Investments Institutional Operations Company Funds  
Fiera Capital Series Trust  
First Eagle Funds  
First Investors (Foresters Financial Services)  
First Trust Series Fund  
Firsthand Funds  
FMI Funds  
Forward Funds  
FPA Funds  
Frank Funds  
Franklin Templeton Investor Services LLC  
FS Series Trust  
Fuller and Thayer (Capitol Series Trust)  
FundVantage Trust  
Gabelli Funds  
Gavekal Funds (Investment Managers Series Trust)  
Gerstein Fisher Funds (Trust for Professional Managers)  
Goldman Sachs  
Good Harbor  
Gotham Funds (FundVantage Trust)  
GQG Funds  
Grant Park (Northern Lights Fund Trust)  
Griffin Capital Advisor LLC  
Guggenheim Funds (Rydex Fund Services, LLC)  
Guidestone Resource Management Inc.  
Guinness Atkinson Funds  
Hancock Horizon Funds  
Hanlon Investment Management, Inc.  
Harbor Services Group, Inc.  
Harding Loevner Funds, Inc.  
Harris Associates  
Hartford



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HCM Funds (Northern Lights Fund Trust III)  
Heartland Group, Inc.  
Hennessey Funds  
Highland Funds  
Hillman Capital Management  
Hodges Funds (Professionally Managed Portfolios)  
Horizon Investments LLC  
Hotchkis & Wiley  
HSBC Funds  
Hundredfold  
Icon Distributors Inc.  
Impax Asset Management LLC  
Infinity Q Diversified Alpha Fund  
Innealta Capital (Gemini Fund Services LLC)  
Invesco Investment Services Inc.  
Iron Funds (Unified Series Trust)  
Ivy Funds (Waddell & Reed Services, LLC)  
James Advantage Funds  
Janus Funds  
JOHCM Funds (Advisers Investment Trust)  
John Hancock Funds  
Johnson Mutual Funds  
JP Morgan Funds  
Kinetics Funds  
KKM Funds (Northern Lights Fund Trust II)  
Lateef Fund (FundVantage Trust)  
Lazard  
Leader Funds (Northern Lights Fund Trust)  
Lee Munder Capital Group  
Legg Mason Investor Services LLC  
Liberty Street Advisors, Inc.  
LoCorr Investment Trust  
Loomis Sayles  
Lord Abbett  
M.D. Sass Funds (Trust for Professional Managers)  
Madison Funds  
Mai Funds (Forum Funds)  
Mainstay Funds (NYLIM Services)  
Manning & Napier

Marketfield Funds (Trust for Professional Managers)  
Masters Funds (Masters' Select Funds Trust)  
Matthews International Funds  
Meeder Funds  
Merger Fund  
Meridian Funds  
Metropolitan West Funds  
MFS Service Center, Inc.  
Miller Howard Funds Trust  
Miller Investment Trust  
Mirae Asset Discovery Funds  
MMA Praxis Funds  
Morgan Stanley  
Morningstar Funds  
Motley Fool Funds (The RBB Fund)  
Nationwide Mutual Funds  
Natixis (NGAM Distribution LP)  
Navigator Funds (Northern Lights Fund Trust)  
Needham Asset Management, LLC  
Neuberger Berman Investment Advisors LLC  
Newfound Research, LLC  
Northern Funds  
NorthPointe Funds (The Advisors' Inner Circle Fund III)  
Nuance Funds (Managed Portfolio Series/Trust for Professional Managers)  
Nuveen Funds  
Oak Associates Funds  
Oak Ridge Funds (Investment Managers Series Trust)  
Oppenheimer Funds  
Orinda Asset Management (Advisors Series Trust)  
Osterweis Funds (Professional Managed Portfolios)  
Pacific Life Insurance Company  
Palmer Square Funds (Investment Managers Series Trust)  
Paradigm Funds  
Parnassus Funds

Payden & Rygel Distributors  
Pear Tree Funds  
Pension Partners Funds (Managed Portfolio Series)  
Performance Trust Mutual Funds (Trust for Prof. Managers)  
PIMCO Funds  
Pinnacle Sherman Funds (Northern Lights)  
Pioneer Investment Management  
Poplar Forest Funds  
Price Asset Management  
Primecap Odyssey Funds  
Princeton Funds  
Principal Shareholder Services  
ProFunds  
Prudential Mutual Fund Services LLC  
Putnam Management Limited  
Pzena Funds (Advisor Series Trust)  
Quaker Fund  
Rational Funds (Mutual Fund and Variable Insurance Trust)  
Redwood Investment Management, LLC  
Resource Alternative Advisor, LLC  
Resource Real Estate, LLC  
River Canyon Funds  
Riverbridge Funds (Investment Managers Series Trust)  
Riverpark Funds Trust  
Russell Investment Company  
Salient MF Trust  
Saratoga Advantage Trust  
Saratoga James Alpha Funds  
Saturna Capital Corporation (Amana Funds)  
Schwartz Investment Trust  
Seafarer Funds  
Segall Bryant Hamill Funds  
Semper Funds (Advisors Series Trust)  
Seven Canyons Funds (Alps Series Trust)  
Shelton Capital Management



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Shenkman Funds (Advisors Series Trust)	The Marisco Investment Fund	USAA Investment Management Company
Sierra Funds (Wright Fund Management)	The Royce Fund	Van Eck Securities Corp
Silverpepper Funds (Investment Managers Trust)	Third Avenue Trust	Victory Capital Funds
Skybridge Funds (FundVantage Trust)	Thornburg Investment Management, Inc.	Virtus Investment Partners
Smead Funds (Trust for Prof. Managers)	Thrivent Funds	Vivaldi Funds (IMST)
Stadion Investment Trust	TIAA Funds	Voya Fund Services
Sterling Capital Funds	Timothy Partners	W.E. Donoghue
SunAmerica Funds	Tocqueville Asset Management	Wasatch Advisors
Swan Capital Management	Toews Funds (Northern Lights Funds Trust)	Wavelength Capital Management, LLC Funds
Symmetry Panoramic Trust	Tortoise Funds (Managed Portfolio Series)	WCM Funds (Natixis Distribution, L.P.)
Symons	Touchstone Advisers Inc.	Weitz Funds
T. Rowe Price Funds	Towle & Co.	Wells Fargo Funds
TCW Investment Management	Transamerica Fund Services, Inc.	Westcore Trust Funds
The Advisors Inner Circle Fund	Trust For Advised Portfolios	Westwood Funds (The Advisors Inner Circle Fund)
The Chartwell Funds	Tweedy Browne Fund	William Blair Funds
The Commerce Funds	Two Oaks Investment Management LLC	Wilshire Mutual Funds
The Dreyfus Corporation	US Global Investors Inc.	Zacks Investment
	USA Mutuals	

3. **Networking.** When LPL is the broker-dealer for Customer assets custodied on the books and records of a mutual fund or annuity Product Sponsor, the Product Sponsor may pay LPL a networking fee as follows:

Product Categories	LPL Networking Compensation
Mutual Funds	<ul style="list-style-type: none"> <li>• Up to 0.15% of Customer Assets, or</li> <li>• Up to \$12 per Customer position</li> </ul>
Annuities	<ul style="list-style-type: none"> <li>• Up to \$6 per Customer position</li> </ul>

Product Sponsors that pay a networking fee to LPL are as follows:

### Mutual Funds:

Aberdeen	Capital Investment Group	Empiric
Alliance Bernstein	CM Fund Advisors	Fidelity Investments
Allianz GI	Cohen & Steers	First Pacific Advisors
Alps Distributors Inc.	Colorado Bond	First Trust Advisors
American Beacon	Columbia Funds	Forward
American Funds	Credit Suisse Asset Management	Franklin Templeton
American Growth Fund	Davis Selected Advisors	Fred Alger Funds
American Pension Investors Trust	Deutsche Asset & Wealth Management	Fund X Upgrader Fund
AMG Funds	Diamond Hill Fund	Goldman Sachs
Archer Distributors, LLC	Dreyfus	Guggenheim Funds
Ashmore Investment	Dunham & Associates	Hartford
Baird Investment Management	Eagle Asset Management	Highland Funds
Baron Funds	Eaton Vance	Hotchkis & Wiley
Brandes Investment	Emerald Growth Fund	Hussman Funds
Burnham Investors		ICON



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Invesco  
 Keeley Investment  
 Lazard Asset Management  
 Leader Funds  
 Madison Funds  
 Maingate Funds  
 Mainstay Funds  
 Manning & Napier  
 Mirae Asset Global  
 Nationwide  
 Natixis  
 Northern Lights Distributors  
 Nuveen

Olstein & Associates  
 Pacific Global Fund  
 Pacific Heights Asset Mgmt.  
 Pacific Life  
 PIMCO  
 Pioneer Investment Management  
 PNC Funds  
 Principal  
 Putnam  
 Quaker Fund  
 Rivernorth Capital Management  
 Rochdale (RIM) Securities  
 Sun America

Thompson Investment  
 Management  
 Thornburg Securities  
 Touchstone  
 Transamerica Capital  
 U.S. Bancorp Fund Services, LLC  
 UBS Global Asset Management  
 Van Eck  
 Victory Capital  
 Virtus Investment Partners  
 Wasmer Schroeder  
 Wells Fargo Funds  
 Wilmington

### Annuities:

AIG  
 Allianz  
 American National  
 AXA  
 Brighthouse Financial (MetLife)  
 CUNA  
 Global Atlantic (Forethought)  
 Great American Company  
 Guardian  
 Hartford Life and Annuity  
 Integrity/Western and Southern  
 Jackson National

Knighthead Annuity (offshore)  
 Lincoln National  
 Mass Mutual  
 Nationwide  
 New York Life  
 Pacific Life  
 Principal  
 Prosperity Life / S.USA Life  
 Prosperity Life/SBLI USA  
 Protective  
 Prudential  
 Reliance Standard

River Source  
 Sammons  
 Sanlam (offshore)  
 Security Benefit  
 Symetra  
 Talcott Resolution (The Hartford  
 Life and Annuity  
 The Standard  
 Transamerica  
 Western & Southern  
 Western National

4. **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"> <li>• Up to \$40,000 comprised of:                             <ul style="list-style-type: none"> <li>▫ Up to \$15,000 as a due diligence fee, and</li> <li>▫ Up to \$5,000 per fund to a maximum of \$25,000</li> </ul> </li> </ul>
Annuities	<ul style="list-style-type: none"> <li>• Up to \$100,000 as a technology development fee<sup>9</sup></li> </ul>
Alternative Investments	<ul style="list-style-type: none"> <li>• Up to \$30,000 for initial products, and</li> <li>• Up to \$15,000 for follow-on product offerings or additional share classes</li> </ul>
ETFs and Exchange Traded Notes	<ul style="list-style-type: none"> <li>• Up to \$7,500 per fund</li> </ul>
Unit Investment Trusts ("UITs")	<ul style="list-style-type: none"> <li>• Up to \$5,000 per trust</li> </ul>

<sup>9</sup> LPL typically receives a one-time networking setup onboarding fee as reimbursement for technology-related costs associated with networking and set up on the Annuity Order Entry trading platform.





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5. **Ad Hoc Reporting.** LPL receives up to \$300,000 annually from certain mutual fund, Exchange Traded Funds (“ETFs”)s and annuity investment sponsors in exchange for access to business intelligence and ad hoc reporting relating to LPL Financial Advisors.

Product Sponsors that pay LPL for these benefits are as follows:

AllianceBernstein	Blackrock	Oppenheimer
Allianz Global Investors	Fidelity	Thornburg
American Funds	Goldman Sachs	Touchstone

6. **Reimbursement for Shareholder Materials.** When LPL delivers mutual fund shareholder reports and proxies to you, LPL is reimbursed by the mutual fund for the delivery costs. The maximum fee that can be charged for delivery is set by New York Stock Exchange (“NYSE”) rules. If LPL uses a vendor to perform the delivery, the vendor seeks reimbursement from the mutual fund on LPL’s behalf and in certain cases remits a portion of the reimbursement to LPL.
7. **No Transaction Fee Network.** LPL offers several custodial platforms including Strategic Asset Management (“SAM”), Strategic Asset Management II (“SAM II”), and Strategic Wealth Management (“SWM I”) and Strategic Wealth Management II (“SWM II”) which are made available to Registered Investment Advisors. Certain mutual funds that participate in LPL’s No Transaction Fee Network (“NTF Funds”) can be purchased in Customer Accounts on these platforms without a transaction charge. If an NTF Fund is purchased in a SAM account or SAM II non-ERISA account, the mutual fund directs payment to LPL to be used exclusively to defray the transaction charge otherwise owed by the Customer (in the case of SAM) or by the Customer’s Advisor (in the case of SAM II). If an NTF fund is purchased in a SWM account, the Product Sponsor of the NTF fund pays LPL additional Third Party Compensation (up to 0.25% of Customer Assets) in order to make the NTF funds available with no transaction charge. In the case of SAM II/SWM II, Customer should understand that the cost to the Advisor of transaction charges may be a factor the Advisor considers when deciding which mutual funds to select and whether or not to place transactions in the account. In particular, the Advisor has a financial incentive to select NTF Funds.

The following mutual funds participate in the SAM and SAM II NTF Mutual Fund Network:

1290 Funds	Dreyfus	LoCorr
361 Capital	DWS (Deutsche)	Lord Abbett
AB	Eaton Vance	Mainstay (New York Life)
Aberdeen	Federated	MFS Investment Management
Advisors Asset Management	Fidelity	Morgan Stanley
Alger	First Eagle	Nationwide
Allianz	First Investors (Foresters)	Natixis Management
AlphaCentric	Forward Funds	Neuberger Berman
American Beacon	Franklin Templeton	Nuveen
American Century	Goldman Sachs	Pacific Life
American Funds	Guggenheim	Parnassus
API (Yorktown)	Hartford Funds	PIMCO
Artisan Partners	Highland	Pioneer
BlackRock	Horizon Investments	Power Income (W.E. Donoghue)
BMO	ICON	Principal
Buffalo Funds	Invesco	Prudential
Calamos	Ivy	Putnam Investments
Calvert	J.P. Morgan Asset Management	Rational Fund
Carillon	Janus	Russell
Catalyst Funds	John Hancock Investments	Stadion
Columbia Threadneedle	Legg Mason Global Asset	SunAmerica
Delaware	Management	Swan Capital Management



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T. Rowe Price	Transamerica	Voya
Thornburg	Van Eck	Wells Fargo
TIAA	Victory	
Touchstone	Virtus	

The following mutual funds participate in the SWM and SWM II NTF Mutual Fund Network:

1290 Funds	Federated	Pacific Life
361 Capital	Fidelity	Parnassus
AB	First Eagle	PIMCO
Aberdeen	First Investors (Foresters)	Pioneer
Advisors Asset Management	Franklin Templeton	Principal
Alger	Goldman Sachs	Prudential
Allianz	Horizon Investments	Putnam Investments
AlphaCentric	ICON	Rational Fund
American Beacon	Invesco	Russell
American Century	Ivy	Stadion
API (Yorktown)	J.P. Morgan Asset Management	SunAmerica
Artisan Partners	Janus	Swan Capital Management
BlackRock	John Hancock Investments	T. Rowe Price
BMO	Legg Mason Global Asset	Thornburg
Buffalo Funds	Management	TIAA
Calamos	LoCorr	Touchstone
Calvert	Lord Abbett	Transamerica
Carillon	Mainstay (New York Life)	Van Eck
Catalyst Funds	MFS Investment Management	Victory
Columbia Threadneedle	Morgan Stanley	Virtus
Delaware	Nationwide	Voya
Dreyfus	Natixis Management	Wells Fargo
DWS (Deutsche)	Neuberger Berman	
Eaton Vance	Nuveen	

LPL also offers an NTF Network for ETFs that operates similarly to its network for mutual funds. Under the ETF NTF Network, certain ETF sponsors direct a payment to LPL on behalf of or for the benefit of a Customer that is used exclusively as a credit to defray bona fide transaction charge obligations of the Account, and LPL waives the transaction charge when the ETF is sold. For purchases of other ETFs in the ETF NTF Network, the sponsor pays LPL a flat annual amount and LPL waives the transaction charge for purchases and sales. The ETF sponsors in the ETF NTF Network are currently Invesco, State Street and WisdomTree.

- Technology Funding.** When LPL incurs technology development-related costs associated with the launch or maintenance of a platform, tool or service, LPL sometimes receives reimbursements from Product Sponsors for such costs. Because LPL benefits from product sponsors' reimbursements of technology development-related costs, LPL's financial interests are conflicted with its ability to use strictly objective factors when selecting Product Sponsors to make available on the applicable platforms.
- Concessions.** LPL receives Third Party Compensation in the form of a concession or placement fee from Product Sponsors in connection with transactions in new issues described below and shares a portion of this compensation with its Advisors.

Financial Products	LPL and Advisor Compensation
Fixed Income <sup>10</sup>	• Up to 0.25% of the transaction amount
Mutual Funds <sup>11</sup>	• Between 0.25% and 1% of the transaction amount
Closed-End Funds	• Up to 4.00% of the transaction amount

<sup>10</sup> This category includes but is not limited to: new issues of certificates of deposit, municipal bonds and other short-term duration bonds.

<sup>11</sup> This compensation is in connection with transactions for which sales charges are waived (usually for purchases of greater than \$1,000,000) or under other circumstances as described in a fund's offering documents.



## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Unit Investment Trusts ("UITs")	<ul style="list-style-type: none"> <li>• Up to 2.60% of the transaction amount, and</li> <li>• Volume concessions and reallowances as disclosed in the applicable UIT prospectus<sup>12</sup></li> </ul>
Structured Products	<ul style="list-style-type: none"> <li>• Up to 3.00% of the transaction amount, and</li> <li>• Up to 0.625% of Customer Assets<sup>13</sup></li> </ul>

10. **Life Insurance.** In addition to the compensation LPL receives for other products offered by insurance Product Sponsors, such as annuities, LPL receives compensation from issuers of life insurance (universal, variable universal, whole life, and term) and other insurance contracts available to Customers. The amount of commission varies depending on the issuer, coverage and the premium amount. Advisors receive a percentage of the commissions and trailing commissions the insurance company pays to LPL or LPL Insurance Associates, Inc. ("LPLIA"). LPL, LPLIA, and Advisors may also receive additional compensation from issuers whose aggregate sales exceed premium thresholds specified in selling agreements with LPL or LPLIA. The amount of insurance compensation is as follows:

Compensation Type	Compensation Amounts
Upfront Commission	<ul style="list-style-type: none"> <li>• Between 4% to 105% of first-year commissionable premiums</li> </ul>
Trailing Commission	<ul style="list-style-type: none"> <li>• Between 1% to 10% of commissionable premiums or of the cash value of the life insurance on an annual basis<sup>14</sup></li> </ul>
LPL and/or LPLIA Marketing Support Payments	<ul style="list-style-type: none"> <li>• Between 1% to 25% of first-year commissionable premiums</li> </ul>

The following insurance product sponsors participate in LPL's Sponsor Programs:

Allianz Life Ins. Co.	Genworth Life Ins. Co. of NY	Nassau RE
Allstate Life Ins. Co.	Global Atlantic (ForeThought)	National Western
Allstate Life Ins. Co. of NY	Great West Life	Nationwide Life
American General (AIG)	Jackson National	New York Life
American General Life Ins. Co. of DE	John Hancock	Ohio National Life
American National Insurance	John Hancock NY	OneAmerica
Ameritas (f/k/a Union Central)	Legal and General America (Banner & William Penn)	Pacific Life
Assurity Life	Liberty Life Assurance Company of Boston	Penn Mutual Life
Aviva Life and Annuity	Lincoln Benefit	Principal Life
Aviva Life and Annuity Company of NY	Lincoln Life & Ann of NY	Protective Life Ins. Co.
AXA Life Ins. Co.	Lincoln National Life Ins. Co.	Prudential Life Ins. Co.
Brighthouse Financial (Metropolitan Life Ins. Co.)	MassMutual	Reliastar Corporation
Exceptional Risk Advisors	MetLife DI	Reliastar Life of NY
First Symetra National Life Ins. Co. of New York	Midland National	SBLI USA
General American Life	Minnesota Life Ins. Co (Securian Life in NY)	Security Life of Denver
Genworth Life Ins. Co.	Mutual of Omaha (United of Omaha and Companion Life)	State Life Ins. Co.
		Symetra Life Ins. Co.
		The United States Life Ins. Co. of NY
		Transamerica Life Ins. Co.

<sup>12</sup> In certain cases, LPL receives additional payments from a UIT sponsor, also known as volume concessions, based on LPL's aggregate sales volume with such sponsor, which are not shared with your Advisor. From time to time, in addition to any dealer or volume concession, LPL receives a reallowance of the public offering price per unit on units of certain UITs and structured products sold by LPL during the initial offering period.

<sup>13</sup> LPL does not share this compensation with your Advisor.

<sup>14</sup> The commission payment option is selected by the Advisor.



## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Vantis Life Ins. Co.

Western & Southern Financial

William Penn

Voya Financial (f/k/a ING)

Group

11. **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 money market funds, depending on the Customer's account type. For more information, please see the applicable ICA or DCA disclosure booklet or the sweep money market fund prospectus. Depending on interest rates and other market factors, the yields on the ICA and money market sweep fund have been, and may continue in the future to be, lower than the aggregate fees and expenses received by LPL for a Customer's participation in the cash sweep programs. This may result in a Customer experiencing a negative overall investment return with respect to cash reserves in the cash sweep programs. Interest rates under ICA or DCA may be lower than the interest rates available if Customers make deposits directly with a bank or other depository institution outside of LPL's brokerage platform or invests in a money market fund or other cash equivalent. Customers should compare the terms, interest rates, required minimum amounts and other features of the ICA or DCA program with other types of accounts and investments for cash.
- 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.
  - b. **Deposit Cash Account ("DCA").** Under the DCA program, each Bank pays an amount equal to a percentage of the average daily aggregated omnibus deposit balance. This amount includes the fee for the third-party administrator, LPL's per account fee, and interest payable to participating accounts. Different Banks may pay different amounts. Customers have no rights to the amounts paid by the Banks, except for interest actually credited to the Customer account. However, amounts collected from the Banks during each period, less interest credited, will be allocated on a per dollar per account basis and used to offset your monthly LPL account fee. For its services under the LPL DCA program, including making the platform available, LPL receives a per account fee each month. The maximum fee paid to LPL may be up to \$24.50 per account per month. The monthly fee is based on a fee schedule tied to current Fed Funds Target Rate as detailed in the DCA Disclosure Booklet located on [lpl.com](http://lpl.com). The current fee can be found at [lpl.com](http://lpl.com). It is expected that this fee will be recouped from the DCA Program Banks and will not be a fee directly applied to your account.
  - c. **Money Market Sweep Funds.** For accounts not eligible for ICA or DCA, 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-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.
12. **Float.** As broker-dealer and custodian of its customers' assets, LPL receives compensation (sometimes referred to as float) in the form of earnings on LPL's investment of uninvested cash in Customer accounts. Cash typically accumulates in a Customer account because (i) the Customer contributed, deposited or otherwise moved cash into the account, or (ii) there was a sale of securities. LPL also receives float on outstanding checks after they are issued by LPL to a Customer but before the Customer presents the check for payment.



## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

13. **Optimum Funds.** If the Plan purchases a fund in the Optimum Funds mutual fund family, you should be aware that LPL provides services to the Optimum funds and receives the following compensation for such services, in addition to recordkeeping fees. LPL provides investment consulting services to the investment advisor of the Optimum Funds pursuant to a consulting agreement between LPL and Delaware Investments, which services include, but are not limited to, assisting the advisor in determining whether to engage, maintain or terminate sub-advisers for the Optimum Funds. As compensation for these services, LPL receives an annual investment consulting fee of up to 0.22% of fund assets annually from Delaware Investments. Because LPL receives an asset-based fee from the Optimum Funds, it has an incentive to recommend investments in the Optimum Funds.
14. **Strategic Wealth Management.** Some mutual fund Product Sponsors pay LPL up to 0.15% of Customer Assets on the SWM platform (exclusive of recordkeeping or 12b-1 payments) and as a result benefit from reduced ticket charges. Although RIAs using the SWM platform do not receive any part of these payments, RIAs that use SWM II benefit from the reduced ticket charges.
15. **Non-Cash Compensation.** LPL, LPL employees and Advisors receive compensation from investment sponsors that is not in connection with any particular customer. Compensation includes 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, Customer workshops or events, or marketing or advertising initiatives, including services for identifying prospective Customers. Investment sponsors also pay for, or reimburse LPL 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, which may include events under the Sponsorships Programs described above.
16. **Collateralized Lending Arrangements.** LPL offers a program that enables Customers to collateralize certain investment accounts in order to obtain secured loans through banking institutions that participate in the program.

Banking institutions that participate in LPL's Collateralized Lending Program are as follows:

The Bancorp Bank

Goldman Sachs

TriState Capital Bank

LPL receives Third Party Compensation from these participant banks based on the amount of the outstanding loans. Compensation can be up to 0.75% of the outstanding loan amount. This compensation to LPL varies, and, therefore, LPL can earn more or less depending on the bank selected by the Customer. This compensation is a conflict of interest to LPL because LPL has a financial incentive for the Customer to select a bank in the program, and a participating bank that pays LPL more. However, LPL does not share this compensation with its Advisors, and therefore, an Advisor does not have a financial incentive to recommend one bank over another. LPL's interest in continuing to receive investment advisory or brokerage fees gives LPL an incentive to recommend that Customers borrow money rather than liquidating some of their assets managed by LPL, when it could be in a Customers best interest to sell such assets instead of using them as collateral for a loan. When a Customer pledges assets in an account, the Customer is a borrower and uses the cash and securities in the account as collateral for a loan and pays interest to the bank. Because of LPL's arrangements with the banks participating in the program, Customers may be limited in their ability to negotiate the most favorable loan terms. However, Customers are not required to use the banks in LPL's program, and can work directly with other banks to negotiate loan terms or obtain other financing arrangements. Customers should be aware that LPL's collateralized loan program is one way, among many, for Customers to obtain a secured loan. Advisory Customers should understand that the interest and additional fees paid to the bank in connection with the loan are separate from and in addition to any advisory fees the Customer pays LPL for its advisory services on the account. As an alternative, Customers could pledge securities held in a brokerage account at LPL, under which Customers would pay commissions for securities transactions instead of ongoing fees for investment advice.



## THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

17. **Credit Cards.** As part of its cash management services, LPL makes available credit cards for its customers through a partner bank. LPL receives revenue sharing from the bank, which includes a flat fee for each new credit card issued through LPL.
18. **Third Party Asset Management Programs (“TAMPs”).** LPL enters into agreements with third party investment advisers to whom LPL refers Customers, pursuant to which LPL may provide (i) marketing services on behalf of the third party investment advisers to LPL representatives; or (ii) data technology services to integrate third party investment adviser account data on LPL's technology systems.<sup>15</sup> LPL receives up to 0.10% of Customer Assets that it refers to a TAMP. TAMPs that currently pay such fees include Brinker.
19. **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 Customer from the account. If a trade correction is required as a result of a Customer (e.g., if a Customer 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 Customer. In the case of a trade that requires a correction as described above and that resulted in a monetary gain to the Customer, such gain may be removed from the account and may result in a financial benefit to LPL.
20. **Other Fees and Conflicts.** You may be subject to other fees set forth in the schedules, available at [https://lplfinancial.lpl.com/disclosures/fee\\_schedules.htm](https://lplfinancial.lpl.com/disclosures/fee_schedules.htm). Other conflicts of interest can be found in LPL's Form ADV, available at <http://www.adviserinfo.sec.gov>.

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<sup>15</sup> Your Advisor does not share in these fees. If LPL acts as a referral agent, the Plan or the Plan's participants being referred to the TAMP or investment advisor firm are required to be provided with a disclosure statement (which must be acknowledged in writing) outlining the referral arrangement and the compensation to LPL.

