

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. Marketing Support Program compensation for various financial products offered by LPL are as follows:

| Product Categories | LPL Marketing Support Compensation | Advisor Compensation |
|---|---|----------------------|
| Mutual Funds | • Up to 0.25% ¹ of Customer Assets | None |
| Variable Annuities | • Up to 0.15% of Customer Assets, or • Up to 0.35% of new Sales ² | None ³ |
| Fixed Annuities and Fixed Indexed Annuities | • Up to 0.25% of Customer Assets, or • Up to 0.50% of new Sales | None |
| Alternative Investments ⁴ | • Up to 0.35% of Customer Assets, or • Up to 1.50% of new Sales | None ⁵ |
| Retirement Plans | • Up to \$300,000 as a fixed fee ⁶ | None |

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

Mutual Funds:

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

¹ 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. Compensation is paid at the discretion of American Funds Distributors, Inc. and may vary in any given year, but will not exceed 0.035% of the American Funds held by LPL customers. In addition to the asset-based payment, American Funds Distributors makes a payment of \$5 million to the top six firms in terms of American Funds assets under management to recognize the depth of the commitment each of those firms has made to collaborating with American Funds Distributors on achieving advisor training and education objectives. 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.

² Compensation may be paid on a combination of Customer Assets and new Sales

³ 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.

⁴ 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.

⁵ 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%.

⁶ This payment is a flat amount and is not received in connection with any particular LPL customer or Customer Assets.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

NATIXIS
Neuberger Berman
Nuveen
Oppenheimer
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)
Great West
Integrity

Jackson National
John Hancock
Lincoln Financial
Mass Mutual
Nationwide
Pacific Life
Principal

Protective
Prudential
River Source
Sammons
Symetra
Transamerica

Fixed Annuities:

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

Liberty Mutual
Lincoln Financial
Mass Mutual
New York Life
Pacific Life
Principal
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)
Lincoln National
Nationwide
Pacific Life
Prosperity SBLI
Protective

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
HarbourVest
Hines
Ironwood
Jones Lang LaSalle
Nantucket Companies
Neuberger Berman

Nuveen
Owl Rock
Resource
RREEF (DWS)
Starwood
Steben & Company
The Carlyle Group



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Retirement Plan:

| | | |
|------------------------------|------------------|-------------------------------|
| American Century | Janus | Ridgeworth |
| Ameritas | John Hancock | Russell Investments Financial |
| Ascensus | Lincoln | Services, LLC |
| AUL/One America | Mass Mutual | Schwab |
| AXA | Mutual of Omaha | Securian |
| Benefit Plans Administrative | Nationwide | Standard |
| Columbia | Natixis | T Rowe DCIO |
| CUNA | Neuberger Berman | T Rowe RK |
| Empower | Nuveen | Thornburg |
| Franklin Templeton | Oppenheimer | Transamerica |
| Goldman Sachs | Paychex | Vanguard |
| Invesco/AIM | Principal | Voya |
| Ivy Funds | Principal Funds | |

2. **Recordkeeping.** LPL receives compensation from mutual funds for providing recordkeeping and related services to the funds.⁷ 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.⁸ In cases where the Advisor is paying the ticket charge,⁹ 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"> • Up to 0.40% of Customer Assets, or • Up to \$25 per Customer position |

Mutual funds that receive recordkeeping services are as follows:

| | | |
|--|--|---|
| 1290 Funds | Adirondack Funds | Altegris Funds (Northern Lights Fund Trust) |
| 13D Activist Funds (Northern Lights Fund Trust) | AdvisorOne Funds | AmericaFirst Quantitative Funds |
| 1919 Funds (Trust for Advised Portfolios) | Advisory Research Funds (Investment Managers Series Trust) | American Beacon Funds |
| 361 Capital Funds (Investment Managers Series Trust) | Alger Funds | American Century Services, LLC |
| AAM-Bahl & Gaynor (Investment Managers Series Trust) | AllianceBernstein (AB) | American Funds (AFS) |
| Abbey Capital Funds (The RBB Fund, Inc.) | Allianz Global Investors Fund Management, LLC | American Independence Funds |
| Aberdeen Funds | AlphaCentric Funds (Mutual Fund Series Trust) | American Pension Investors Trust (API) |
| ACR Funds (Investment Managers Series Trust II) | ALPS Portfolio Solutions Distributors, Inc. | AMG Funds / Aston Funds |
| | | Anfield Capital Management, LLC |
| | | Angel Oak Funds Trust |

⁷ 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.

⁸ 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.

⁹ 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.



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Appleseed Funds (Ultimus Asset Services, LLC & Pekin Singer Strauss Asset Management, Inc.)
AQR Funds
Aquila Distributors, Inc.
Arbitrage Funds
Arrow Investments Trust
Artisan Partners
Asbsolute Strategies (Forum Funds)
Ashmore Investment Management
Astor Funds (Nothern Lights Fund Trust)
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
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
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
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
Forward Funds
FPA Funds
Frank Funds
Franklin Templeton Investor Services LLC
FS Series Trust
Fuller and Thayer (Capitol Series Trust)
Gabelli Funds
Gavekal Funds (Investment Managers Series Trust)
Gerstein Fisher Funds (Trust for Professional Managers)
Goldman Sachs
Good Harbor
Gotham Funds (FundVantage Trust)
Grant Park (Northern Lights Fund Trust)
Guggenheim Funds (Rydex Fund Services, LLC)
Guidestone Resource Management Inc.
Guinness Atkinson Funds
Hancock Horizon Funds
Hanlon Investment Management, Inc.
Harbor Services Group, Inc.
Harris Associates
Hartford
Heartland Group, Inc.



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Hennessey Funds
Highland Funds
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
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
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 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
Mangers 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
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
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
Shenkman Funds (Advisors
Series Trust)
Sierra Funds (Wright Fund
Management)
Smead Funds (Trust for Prof.
Managers)
Stadion Investment Trust
Sterling Capital Funds
SunAmerica Funds



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| | | |
|---------------------------------------|---|---|
| Swan Capital Management | Tocqueville Asset Management | Van Eck Securities Corp |
| Symons | Toews Funds (Northern Lights Funds Trust) | Victory Capital Funds |
| T. Rowe Price Funds | Tortoise Funds (Managed Portfolio Series) | Virtus Investment Partners |
| TCW Investment Management | Touchstone Advisers Inc. | Vivaldi Funds (IMST) |
| The Advisors Inner Circle Fund | Towle & Co. | Voya Fund Services |
| The Chartwell Funds | Transamerica Fund Services, Inc. | W.E. Donoghue |
| The Commerce Funds | Trust For Advised Portfolios | Wasatch Advisors |
| The Dreyfus Corporation | Tweedy Browne Fund | Weitz Funds |
| The Marisco Investment Fund | Two Oaks Investment Management LLC | Wells Fargo Funds |
| The Royce Fund | US Global Investors Inc. | Westcore Trust Funds |
| Third Avenue Trust | USA Mutuals | Westwood Funds (The Advisors Inner Circle Fund) |
| Thornburg Investment Management, Inc. | USAA Investment Management Company | William Blair Funds |
| Thrivent Funds | | Wilshire Mutual Funds |
| TIAA Funds | | Zacks Investment |
| Timothy Partners | | |

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"> • Up to 0.15% of Customer Assets, or • Up to \$12 per Customer position |
| Annuities | <ul style="list-style-type: none"> • Up to \$6 per Customer position |

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

Mutual Funds:

| | | |
|----------------------------------|------------------------------------|------------------------------|
| Aberdeen | Davis Selected Advisors | Highland Funds |
| Alliance Bernstein | Diamond Hill Fund | Hotchkis & Wiley |
| Allianz GI | Doubleline Funds Trust | Hussman Funds |
| Alps Distributors Inc. | Dreyfus | ICON |
| American Beacon | Dunham & Associates | Invesco |
| American Funds | Deutsche Asset & Wealth Management | Keeley Investment |
| American Growth Fund | Eagle Asset Management | Lazard Asset Management |
| AMG Funds | Eaton Vance | Leader Funds |
| American Pension Investors Trust | Emerald Growth Fund | Madison Funds |
| Archer Distributors, LLC | Empiric | Maingate Funds |
| Ashmore Investment | Fidelity Investments | Mainstay Funds |
| Baird Investment Management | First Pacific Advisors | Manning & Napier |
| Baron Funds | First Trust Advisors | Mirae Asset Global |
| Brandes Investment | Forward | Nationwide |
| Burnham Investors | Franklin Templeton | Natixis |
| Capital Investment Group | Fred Alger Funds | Northern Lights Distributors |
| CM Fund Advisors | Fund X Upgrader Fund | Nuveen |
| Cohen & Steers | Goldman Sachs | Olstein & Associates |
| Colorado Bond | Guggenheim Funds | Pacific Global Fund |
| Columbia Funds | Hartford | Pacific Heights Asset Mgmt. |
| Credit Suisse Asset Management | | Pacific Life |



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| | | |
|-------------------------------|---------------------------------|-----------------------------|
| Payden & Rygel | Rochdale (RIM) Securities | UBS Global Asset Management |
| PIMCO | Sun America | Van Eck |
| Pioneer Investment Management | Thompson Investment | Victory Capital |
| PNC Funds | Management | Virtus Investment Partners |
| Principal | Thornburg Securities | Wasmer Schroeder |
| Putnam | Touchstone | Wells Fargo Funds |
| Quaker Fund | Transamerica Capital | Wilmington |
| Rivernorth Capital Management | U.S. Bancorp Fund Services, LLC | |

Annuities:

| | | |
|---------------------------------|--------------------------------|-------------------|
| AIG | Integrity/Western and Southern | Prudential |
| Allianz | Jackson National | Reliance Standard |
| American National | Knighthead Annuity (offshore) | River Source |
| AXA | Lincoln National | Sammons |
| Brighthouse Financial (MetLife) | Mass Mutual | Sanlam (offshore) |
| CUNA | Nationwide | Security Benefit |
| Global Atlantic (Forethought) | New York Life | Symetra |
| Great American Company | Pacific Life | The Standard |
| Great West | Principal | Transamerica |
| Guardian | Prosperity Life/SBLI USA | |
| Hartford Life and Annuity | Protective | |

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"> 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 |
| Annuities | <ul style="list-style-type: none"> Up to \$100,000 as a technology development fee¹⁰ |
| 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 |

5. **Ad Hoc Reporting.** LPL receives up to \$300,000 annually as Third Party Compensation from mutual fund, exchange traded fund and annuity Product Sponsors in exchange for access to business intelligence and ad hoc reporting relating to LPL's 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 |

¹⁰ 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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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.** Certain mutual funds that participate in LPL's No Transaction Fee Network ("NTF Funds") can be purchased in Strategic Asset Management (SAM) and RIA Strategic Wealth Management (SWM) accounts and non-retirement Strategic Asset Management II (SAM II) and RIA Strategic Wealth Management II (SWM II) accounts without a transaction charge. If an NTF Fund is purchased in a SAM account or SAM II non-retirement 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 for non-retirement Accounts to avoid paying or to lower the transaction charges.

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

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

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

| | | |
|-------------|---------------------------|-----------------|
| 1290 Funds | Aberdeen | Allianz |
| 361 Capital | Advisors Asset Management | AlphaCentric |
| AB | Alger | American Beacon |



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

8. **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.
9. **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 ¹¹ | • Up to 0.25% of the transaction amount |
| Mutual Funds ¹² | • Between 0.25% and 1% of the transaction amount |
| Closed-End Funds | • Up to 4.00% of the transaction amount |
| Unit Investment Trusts (UITs) | • Up to 2.60% of the transaction amount, and • Volume concessions and reallowances as disclosed in the applicable UIT prospectus ¹³ |
| Structured Products | • Up to 3.00% of the transaction amount, and • Up to 0.625% of Customer Assets ¹⁴ |

¹¹ This category includes but is not limited to: new issues of certificates of deposit, municipal bonds and other short-term duration bonds.

¹² 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.

¹³ 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.

¹⁴ LPL does not share this compensation with your Advisor.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

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 and/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 and/or LPLIA. Insurance compensation is as follows:

| Compensation Type | Compensation Amounts |
|---|--|
| Upfront Commission | • Between 4% to 105% of first-year commissionable premiums |
| Trailing Commission | • Between 1% to 10% of commissionable premiums or of the cash value of the life insurance on an annual basis ¹⁵ |
| LPL and/or LPLIA Marketing Support Payments | • Between 1% to 25% of first-year commissionable premiums |

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

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

¹⁵ The commission payment option is selected by the Advisor.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

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 multiple money market fund options, depending on the Customer's account type. For more information, please see the applicable ICA or DCA 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 monthly account statement.
 - 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. The current fee can be found at 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 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.
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.
14. **Strategic Wealth Management.** LPL offers a custodial platform for registered investment advisor (RIA) called Strategic Wealth Management (SWM). 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.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

15. **Miscellaneous and Non-Cash Compensation.** LPL, LPL employees and Advisors receive compensation from Product Sponsors that is not in connection with any particular Customer or Customer Assets. 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. Product 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.

17. **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.¹⁶ LPL receives up to 0.10% of Customer Assets that it refers to a TAMP. TAMPs that currently pay such fees include Brinker.

¹⁶ 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.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

18. **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.
19. **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. Other conflicts of interest can be found in LPL's Form ADV, available at <http://www.adviserinfo.sec.gov>.

