Lincoln Financial Advisors
A member of Lincoln Financial Group

BANK SWEEP PROGRAM DISCLOSURE DOCUMENT

PLEASE REVIEW – IMPORTANT INFORMATION REGARDING YOUR DEFAULT CASH SWEEP

The Bank Sweep Program Summary below highlights certain key features of the Insured Bank Deposit Account (the "IBDA") and the Insured Bank Retirement Advisory Account (the "IBRAA" and, together with the IBDA, the "Programs") offered by Lincoln Financial Advisors Corporation ("LFA," "we," "our," or "us"). <u>You should carefully read the entirety of this Bank Sweep Program Disclosure Document (this "Disclosure Document"), including the Bank Sweep Program Summary below, before you consent to the use of the IBDA or the IBRAA as your core account investment vehicle, or "cash sweep</u>." By consenting to the use of the IBDA or the IBRAA as your cash sweep, you acknowledge that you have carefully read this Disclosure Document and agree to the terms and conditions of this Disclosure Document. If you have any questions about this Disclosure Document, the IBDA, or the IBRAA; do not consent to the use of the IBDA or the IBRAA, as applicable, as your cash sweep; or would like any additional information regarding the IBDA or the IBRAA, please contact your LFA financial professional. All capitalized terms used but not defined in the Bank Sweep Program Summary below are defined later in this Disclosure Document.

YOU UNDERSTAND AND AGREE THAT BY CONSENTING TO THE USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE DOCUMENT AND CONSENT TO EACH OF LFA'S CONFLICTS OF INTEREST DISCLOSED HEREIN. YOU UNDERSTAND AND AGREE THAT LFA RECEIVES SIGNIFICANT FINANCIAL BENEFITS FROM YOUR USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, WHICH ARE IN ADDITION TO ANY OTHER FEES YOU PAY OR INCUR, AND THAT THESE FINANCIAL BENEFITS INCENTIVIZE LFA TO MAKE THE IBDA AND THE IBRAA THE DEFAULT AND ONLY CASH SWEEPS AVAILABLE FOR YOUR IBDA-ELIGIBLE BROKERAGE ACCOUNTS AND IBRAA-ELIGIBLE BROKERAGE ACCOUNTS, RESPECTIVELY, RATHER THAN A DIFFERENT CASH SWEEP THAT DOES NOT ENTAIL SUCH FINANCIAL BENEFITS TO LFA OR ENTAILS LESSER FINANCIAL BENEFITS TO LFA, RESULTING IN A CONFLICT OF INTEREST FOR LFA.

Bank Sweep Program Summary		
How the Programs Work	Effective on or about March 5, 2024, the IBDA will become the default and only core account investment vehicle, or "cash sweep," that is available for your IBDA-eligible Brokerage Accounts (as defined in the "Introduction" section below) with LFA that are held by National Financial Services LLC, our custodian and clearing firm ("NFS"), and the IBRAA will become the default and only cash sweep that is available for your IBRAA-eligible Brokerage Accounts with LFA that are held by NFS. When designated as your core account investment vehicle, the IBDA or the IBRAA, as applicable, will be used to hold your cash balance while awaiting investment. When you participate in the IBDA or the IBRAA, the cash balance awaiting investment in your Brokerage Account (*e.g.*, from sales of securities, cash deposits, dividend and interest payments, and other activities) will be automatically deposited, or "swept," into interest-bearing Federal Deposit Insurance Corporation ("FDIC") insurance eligible Deposit Accounts (as defined in the "Introduction" section below) at one or more FDIC-insured financial institutions (each, a "Program Bank" and, collectively, the "Program Banks"). Debits to your Brokerage Account, including those arising from account fees, securities purchases, and other charges, will be satisfied by withdrawing cash from the Deposit Accounts at the Program Banks and "sweeping" that cash back into your Brokerage Account. Your cash balances that cannot be placed at a Program Bank, including Excess Deposit Banks (as defined in the "Maximum Deposit Amount" section below), due to capacity limits, imminent lack of capacity, or otherwise in NFS's sole discretion, shall be swept to a Money Market Mutual Fund Overflow as described herein. If you have funds swept to the Money Market Mutual Fund Overflow, those funds will not be covered by FDIC insurance and, as described in further detail below, there will be a material impact on how interest is calculated and how funds are placed and withdrawn under the IBDA or the IBRAA, as applicable. Your deposits placed through the IBDA or the IBRAA are placed at FDIC-insured depository institutions that are part of the deposit network of IntraFi Network LLC, the administrative service provider for the Programs (the	Page 14

How the Programs Work (Continued)	"Administrator"). **The IBDA and the IBRAA are not long-term investment options, and you should not view them as such. You should work with your LFA financial professional to determine the appropriate percentage of your portfolio, if any, that should be held in the IBDA or the IBRAA, considering your liquidity needs, investment objectives, and other important factors.** As described in greater detail in this Disclosure Document, certain Brokerage Account types are not eligible to participate in the Programs. Brokerage Accounts that are not eligible to participate in the Programs will have access to an alternate cash sweep that LFA makes available for their Brokerage Account type. To the extent that one or more of your Brokerage Accounts are not eligible to participate in the Programs, you should speak with your LFA financial professional and review the information available at www.lfa-sagemark.com under My accounts—Disclosures to obtain information on the alternate cash sweep that is available to you based on your Brokerage Account type.	
Benefits to LFA and Others and LFA's Related Conflicts of Interest	**BEFORE CONSENTING TO THE USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, YOU SHOULD CAREFULLY REVIEW THE FOLLOWING DISCLOSURES REGARDING THE SIGNIFICANT FINANCIAL BENEFITS THAT LFA RECEIVES FROM YOUR USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP AND LFA'S RELATED CONFLICTS OF INTEREST. AS EXPLAINED ABOVE, YOU UNDERSTAND AND AGREE THAT BY CONSENTING TO THE USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE DOCUMENT AND CONSENT TO EACH OF LFA'S CONFLICTS OF INTEREST DISCLOSED HEREIN. YOU UNDERSTAND AND AGREE THAT LFA RECEIVES SIGNIFICANT FINANCIAL BENEFITS FROM YOUR USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, WHICH ARE IN ADDITION TO ANY OTHER FEES YOU PAY OR INCUR, AND THAT THESE FINANCIAL BENEFITS INCENTIVIZE LFA TO MAKE THE IBDA AND THE IBRAA THE DEFAULT AND ONLY CASH SWEEPS AVAILABLE FOR YOUR IBDA-ELIGIBLE BROKERAGE ACCOUNTS AND IBRAA-ELIGIBLE BROKERAGE ACCOUNTS, RESPECTIVELY, RATHER THAN A DIFFERENT CASH SWEEP THAT DOES NOT ENTAIL SUCH FINANCIAL BENEFITS TO LFA OR ENTAILS LESSER FINANCIAL BENEFITS TO LFA, RESULTING IN A CONFLICT OF INTEREST FOR LFA.** **Your use of the IBDA or the IBRAA as your cash sweep creates significant financial benefits for LFA, NFS, and the Administrator and conflicts of interest for LFA. LFA, NFS, and the Administrator will receive fees from each Program Bank as a result of your and other clients' Program Deposits (as defined in the "Introduction" section below).** **In connection with their participation in the IBDA or the IBRAA, the Program Banks pay higher interest rates than the interest rate you will receive on your Program Deposits. The amount of the fees paid to us, NFS, and the Administrator will directly affect and significantly reduce the interest rate you are paid on your Program Deposits, because the fees we, NFS, and the Administrator receive significantly reduce the amount of interest paid by the Program Banks that is available to be paid to you on your Program Deposits. In connection with the IBDA, we retain the difference between the interest paid by the Program Banks and the interest you receive, after the fees due to NFS and the Administrator are paid. We refer to this differential between the interest paid by the Program Banks and the interest you receive as the "fees" that we, NFS, and the Administrator receive in connection with the IBDA. In connection with the IBRAA, we receive a level monthly fee for each Brokerage Account that participates in the IBRAA, as described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below. We set the fees that we charge in connection with the Programs. This discretion creates a conflict between our interests and your interests because our determination of our share of the interest paid by the Program Banks that we retain as compensation directly affects and significantly reduces the interest you earn on your Program**	Page 24

Benefits to LFA and Others and LFA's Related Conflicts of Interest (Continued)	**Deposits. The higher the compensation paid to LFA, the lower the interest paid to you; the lower the compensation paid to LFA, the higher the interest paid to you. With limited exception, we will retain a substantially greater share of the interest received from the Program Banks as compensation in connection with your Program Deposits than what is credited to you. Additionally, with limited exception, we will retain a substantially greater share of the interest received from the Program Banks as compensation in connection with your Program Deposits than what is paid to NFS and the Administrator. The fees paid to us, NFS, and the Administrator will have a greater impact on the interest rate that you receive than the amount of interest paid by each Program Bank. The fees charged by LFA are not based on LFA's costs in connection with maintaining the Programs and are in addition to other compensation received by LFA and your LFA financial professional with respect to your Brokerage Account. The fees that LFA receives in connection with the Programs are higher than the compensation that LFA would receive in connection with other core account investment vehicles that NFS makes available, including money market mutual funds ("Money Funds"), that LFA has not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts. NFS also receives revenue from your and other clients' cash balances held in the Money Market Mutual Fund Overflow.** **Clients participating in the IBDA or the IBRAA through Brokerage Accounts enrolled in any of LFA's fee-based investment advisory programs should understand that LFA receives significant fees from the Program Banks as a result of clients' Program Deposits and that these fees are in addition to the asset-based investment advisory fees that investment advisory clients directly pay to LFA in connection with their Program Deposits. As described in greater detail in LFA's client service agreements and applicable Forms ADV Part 2A, LFA charges investment advisory clients asset-based investment advisory fees based on the total market value of their assets under management, including, but not limited to, their Program Deposits. As a result, LFA receives two layers of fees on investment advisory clients' Program Deposits when they participate in the IBDA or the IBRAA through Brokerage Accounts enrolled in any of LFA's fee-based investment advisory programs (*i.e.*, asset-based investment advisory fees and fees from the Program Banks). When the interest rate that investment advisory clients receive on their Program Deposits is lower than the asset-based investment advisory fees that they pay LFA in connection with their Program Deposits, investment advisory clients will experience net negative overall returns with respect to their Program Deposits. When evaluating the appropriateness of LFA's asset-based investment advisory fees, investment advisory clients should consider the fees that LFA receives from the Program Banks in connection with the Programs. Additionally, investment advisory clients participating in the IBDA or the IBRAA should understand that many third-party money managers, asset allocation providers, and model portfolio providers whose strategies are available through LFA's fee-based investment advisory programs require clients to hold a minimum cash allocation (*e.g.*, two or more percent of their portfolio in cash) and that these minimum cash allocations will be swept to the IBDA or the IBRAA, as applicable.** **The fees that LFA receives from the Program Banks in connection with clients' Program Deposits are a significant source of revenue and profit for LFA and present conflicts of interest for LFA. In particular, LFA has conflicts of interest in connection with the Programs given its financial incentive to: (i) exercise its discretion to set the fees that it charges in connection with clients' Program Deposits (and therefore, the revenue that it receives) at high levels, which will directly affect and significantly reduce the interest rate payable to clients (*i.e.*, the higher the fees set, imposed, and received by LFA, the lower the interest rate payable to clients on their Program Deposits); (ii) exercise its discretion to select the IBDA and the IBRAA as the default and only core account investment vehicles, or "cash sweeps," that are available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts,**	

Benefits to LFA and Others and LFA's Related Conflicts of Interest (Continued)	**respectively, rather than other cash sweeps made available by NFS that would generate relatively lower or no revenue for LFA and provide higher yields or returns to clients; (iii) recommend or advise that all IBDA-eligible and IBRAA-eligible Brokerage Account holders use the IBDA and the IBRAA, respectively, as their cash sweep, rather than closing their accounts, transferring their assets to other account types that do not use the IBDA or the IBRAA as their default and only cash sweep option, if possible, or transferring their assets to other financial institutions; (iv) recommend or advise that all IBDA-eligible and IBRAA-eligible Brokerage Account holders increase their Program Deposits, including by recommending or advising that they make cash deposits, sell securities, and take other actions that generate cash balances in their Brokerage Accounts that will be swept to the IBDA or the IBRAA, as applicable; (v) recommend or advise that all IBDA-eligible and IBRAA-eligible Brokerage Account holders hold high levels of Program Deposits for extended periods of time, rather than taking other available actions such as withdrawing cash from their accounts or purchasing Money Funds or other investment options that are available for clients to purchase outside of the Programs (which would generate relatively lower or no revenue for LFA and provide higher yields or returns to clients); (vi) recommend or advise that all IBDA-eligible and IBRAA-eligible investment advisory clients use the IBDA and the IBRAA, respectively, as their core account investment vehicle (rather than closing their accounts, transferring their assets to other account types that do not use the IBDA or the IBRAA as their default and only cash sweep option, if possible, or transferring their assets to other financial institutions), increase their Program Deposits, and hold high levels of Program Deposits for extended periods of time, which allows LFA to receive fees from the Program Banks in addition to asset-based investment advisory fees on investment advisory clients' Program Deposits; (vii) include Program Banks that pay the highest interest rates on the Program Bank List, rather than other Program Banks that pay relatively lower interest rates, which will increase LFA's fees in connection with the IBDA and support LFA's monthly per Brokerage Account fee in connection with the IBRAA; (viii) recommend or advise that clients invest through IBDA-eligible and IBRAA-eligible Brokerage Accounts, rather than through other account types that LFA makes available but that do not participate in the Programs (including, but not limited to, accounts for which LFA does not serve as broker-dealer of record, accounts held directly with third-party product sponsors, accounts in the third-party asset management programs that LFA makes available to clients, and accounts that are not eligible to participate in the Programs as described in the section entitled "Bank Sweep Program Eligibility" below); (ix) recommend or advise that clients invest through IBDA-eligible and IBRAA-eligible Brokerage Accounts that can hold the highest amount of cash, rather than other available accounts that limit the amount of cash that can be held (*i.e.*, commission-based Brokerage Accounts can generally hold an unlimited amount of cash, while Brokerage Accounts enrolled in LFA's fee-based investment advisory programs are generally subject to cash concentration limits and will in certain circumstances have defined cash allocations set by third-party money managers, asset allocation providers, or model providers as described above); (x) recommend or advise that clients invest through Brokerage Account types that will cause LFA to receive the highest compensation on their Program Deposits (*i.e.,* recommend or advise that clients invest through either IBDA-eligible Brokerage Accounts or IBRAA-eligible Brokerage Accounts based on which Program will cause LFA to receive the highest compensation in connection with clients' Program Deposits); and (xi) recommend itself as the broker-dealer of record and NFS as the custodian for clients' accounts, rather than other available broker-dealers and custodians, which allows LFA to access the Programs and receive fees in connection with clients' use of the Programs as their cash sweep.** **The fees that LFA charges in connection with the Programs will in certain cases be higher than the fees charged by other firms that provide similar account-type services regarding cash sweeps. The interest rate your Program Deposits earn will**	

Benefits to LFA and Others and LFA's Related Conflicts of Interest (Continued)	**in certain cases be lower than interest rates available to depositors making deposits directly with the same bank or with other depository institutions. Banks do not have a duty to provide the highest rates available in the market and may instead seek to pay a low rate. Lower rates are more financially beneficial to a bank. There is no necessary linkage between the rates of interest on clients' Program Deposits and other rates available in the market, including, but not limited to, Money Fund rates.** **Program Deposits will pay a significantly lower interest rate to you than other available cash equivalent products, including, but not limited to, Money Funds, that your LFA financial professional can recommend or select in investing other portions of your Brokerage Account. This presents a conflict of interest for LFA because LFA will receive significantly greater compensation on your Program Deposits than it would on equivalent amounts of your cash invested in other available investments that can be purchased and held in other portions of your Brokerage Account. This conflict of interest influences LFA to make the IBDA and the IBRAA the default and only core account investment vehicles, or "cash sweeps," available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively.** **For detailed information regarding the fees that LFA receives from the Program Banks as a result of clients' use of the IBDA or the IBRAA as their cash sweep, as well as LFA's related conflicts of interest, you should carefully review this Disclosure Document and LFA's Compensation and Conflict of Interest Disclosure, Interest Rate Schedule, Form CRS, Regulation Best Interest Disclosure Document (if you are a commission-based broker-dealer client of LFA), and applicable Forms ADV Part 2A (if you are a fee-based investment advisory client of LFA), all of which are available at www.lfa-sagemark.com under My accounts—Disclosures. If you have any questions about the fees that LFA receives in connection with the Programs, how those and other applicable fees reduce the interest rate you receive on your Program Deposits, or LFA's related conflicts of interest, please contact your LFA financial professional.**	
Your Options if You Do Not Consent to the Programs	Effective on or about March 5, 2024, the IBDA will become the default and only core account investment vehicle, or "cash sweep," that is available for use by IBDA-eligible Brokerage Accounts and the IBRAA will become the default and only cash sweep that is available for use by IBRAA-eligible Brokerage Accounts. The IBDA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBDA-eligible Brokerage Account and the IBRAA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBRAA-eligible Brokerage Account. **If you do not wish to consent to the use of the IBDA or the IBRAA, as applicable, as the core account investment vehicle for your Brokerage Account, please contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).** **While the IBDA and the IBRAA are the default and only core account investment vehicles that are available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively, you can invest in Money Funds and other investment options that LFA makes available for you to purchase outside of the Programs. Cash balances swept into the IBDA or the IBRAA will pay a significantly lower interest rate to you than other available cash equivalent products, including, but not limited to, Money Funds, that your LFA financial professional can recommend or select in investing other portions of your Brokerage Account. This presents a conflict of interest for LFA because LFA will receive significantly greater compensation on your Program Deposits than it would on equivalent amounts of your cash invested in other available investments that you can purchase and hold in other portions of your Brokerage Account. This conflict of interest influences LFA to make the IBDA and the IBRAA the default and only core account investment vehicles, or "cash sweeps," available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible**	Page 12

Your Options if You Do Not Consent to the Programs (Continued)	**Brokerage Accounts, respectively.** If you have questions regarding any of the Money Funds or other investment options that LFA makes available for purchase outside of the Programs or would like a prospectus or other disclosure document for any of those investment options, please contact your LFA financial professional.	
FDIC and SIPC Coverage	Your Program Deposits at the Program Banks will be eligible for FDIC insurance in the manner and to the extent more fully described herein. **You need to review and understand how FDIC insurance will apply to your Program Deposits.** Your cash balance is only eligible for FDIC insurance once it becomes a Program Deposit held by a Program Bank. Your cash balance while held by NFS or LFA is not FDIC insured but is covered by the Securities Investor Protection Corporation ("SIPC") up to applicable limits. This includes cash balances in your Brokerage Account that have not yet been received by a Program Bank or which have been swept from a Program Bank back to your Brokerage Account, as well as cash balances held in the Money Market Mutual Fund Overflow as described herein or in other Money Funds. SIPC currently protects funds and securities in your Brokerage Account up to $500,000, including up to $250,000 for claims for cash. In addition to SIPC coverage, NFS provides additional "excess of SIPC" coverage as described in the section entitled "FDIC/SIPC Coverage" below. This excess of SIPC coverage will only be used when SIPC coverage is exhausted. Any securities held in your Brokerage Account, including, but not limited to, the Money Market Mutual Fund Overflow and other Money Funds (as opposed to a Program Deposit held by a Program Bank), are investment products and, as such: (i) are not insured by the FDIC; (ii) carry no bank or government guarantees; and (iii) are subject to investment risk, including loss of principal amount invested. You should carefully review the information in this Disclosure Document regarding FDIC and SIPC coverage and speak with your LFA financial professional to ensure that you understand the differences between FDIC and SIPC coverage and the limitations applicable to each. Regardless of the number of Program Banks on your Program Bank List, you will be eligible for up to a maximum of $2.5 million in FDIC coverage at any given time for individual accounts participating in the IBDA or the IBRAA or up to $5.0 million in FDIC coverage at any given time for joint accounts participating in the IBDA, subject to the total amounts you have on deposit with the Program Banks, applicable FDIC rules, Program Bank availability, and other factors described herein. If your Program Deposits exceed $2.5 million for an individual account or $5.0 million for a joint account, your Program Deposits in excess of those thresholds will be deposited with one or more Excess Deposit Banks that will accept your funds without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount (as defined in the "Introduction" section below) or, in the event of deposit capacity constraints, invested in the Money Market Mutual Fund Overflow as described herein.	Page 30
Program Banks and Your Duty to Monitor Your Deposits with the Program Banks	The Program Bank List specifies the Program Banks into which your uninvested cash balance will be deposited, or "swept," and the sequence in which the Program Banks will receive your uninvested cash balance, in each case based upon the state reflected in your Brokerage Account mailing address. **You can access the most up-to-date Program Bank Lists for the IBDA and the IBRAA on LFA's website at www.lfa-sagemark.com under My accounts—Disclosures. Additionally, you can obtain the current Program Bank Lists for the IBDA and the IBRAA from your LFA financial professional.** The Program Bank List also indicates the Excess Deposit Banks that will hold your Program Deposits after the Maximum Deposit Amount (as defined in the "Introduction" section below) has been placed in all available Program Banks on your Program Bank List that are accepting additional deposits (or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts). **To the extent that your deposits (including deposits through the Programs and outside of the Programs) with any Program Bank, including any Excess Deposit Bank, exceed the Maximum Applicable FDIC Deposit Insurance Amount, these excess funds are not eligible for FDIC insurance.** **You are solely responsible for monitoring the total amount of deposits that you have**	Pages 9 and 18

Program Banks and Your Duty to Monitor Your Deposits with the Program Banks (Continued)	**with each Program Bank (both through the Programs and outside of the Programs), including any bank accounts, certificates of deposit ("CDs"), and other deposits made directly with a Program Bank or through us or any other intermediary, in order to determine the extent of FDIC insurance coverage available to you on your deposits, including Program Deposits, and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance. Depending on the amount of deposits that you have at a Program Bank apart from your Program Deposits, you may wish to direct that one or more Program Banks on the Program Bank List be excluded from holding your Program Deposits. To exclude one or more Program Banks on the Program Bank List from holding your Program Deposits, please contact your LFA financial professional. LFA is not responsible for any insured or uninsured portion of your Deposit Accounts (including your Deposit Accounts with Excess Deposit Banks) or any other deposits you hold with the Program Banks within or outside of the Programs. All Program Deposits not insured by the FDIC are at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.**	
Rates of Return	**You can obtain the current interest rate for your Deposit Accounts in the IBDA or the IBRAA, as applicable, from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.** Your interest rate can change at any time without notice to you, so speak with your LFA financial professional or check LFA's above website frequently to ensure that you have current information regarding the interest rate applicable to your Program Deposits. Your Program Deposits will earn the same rate of interest regardless of the Program Bank(s) with which your funds are deposited. For the IBDA, your interest rate is based upon your Program Deposits in accordance with the Interest Rate Tiers (as defined in the "Introduction" section below) disclosed to you by LFA. The current Interest Rate Tiers for the IBDA can be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures. For the IBRAA, your interest rate is not based on the Interest Rate Tiers but will be a single rate that is based, in part, on our monthly per Brokerage Account fee structure described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below. **The interest rate that you receive on your Program Deposits will be significantly lower than the interest rates paid by the Program Banks on your Program Deposits due to the fees imposed by LFA, NFS, and the Administrator, as further described in this Disclosure Document. The fees that LFA, NFS, and the Administrator set, impose, and receive directly affect and significantly reduce the interest rate payable to you on your Program Deposits (*i.e.*, the higher the fees set, imposed, and received by LFA, NFS, and the Administrator, the lower the interest rate you will receive on your Program Deposits). The interest rate that you will receive on your Program Deposits: (i) will be lower than the rates of return on (a) other core account investment vehicles that NFS makes available and that are not FDIC insured, such as Money Funds, that LFA has not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts, and (b) Money Funds and other investment options that LFA makes available to you for purchase outside of the Programs; and (ii) will in certain circumstances be lower than the rates of return on FDIC insured and other bank account deposits offered outside the Programs.** Through the Programs, we do not offer the highest interest rates available or interest rates that are comparable to Money Funds or other available investment options. Additionally, the Program Banks have a financial incentive to pay the lowest interest rates that the market will permit. By comparison, Money Funds generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses. As described above, when you participate in the IBDA or the IBRAA through a Brokerage Account enrolled in any of LFA's fee-based investment advisory programs, you should understand that you will experience a net negative overall return with respect to your Program Deposits when the interest rate you receive on your Program Deposits is lower than the asset-based investment advisory fees that you pay to LFA in connection with your Program Deposits. For additional information, see the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below.	Pages 12 and 21

Rates of Return (Continued)	**The Programs are not long-term investment options, and you should not view them as such. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your Brokerage Account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, you should contact your LFA financial professional to discuss investment options that are available for you to purchase outside of the Programs, including, but not limited to, Money Funds, that could potentially be better suited to your needs and goals.**	
Changes	Certain circumstances will require a change to the IBDA, the IBRAA, or your core account investment vehicle. Generally, you will receive notification in advance of changes to the IBDA or the IBRAA, as applicable, or your core account investment vehicle. If you do not wish to participate in the IBDA or the IBRAA, please contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).	Page 22
Who to Contact with Questions	For questions about the information in this Disclosure Document, the additional disclosures regarding the Programs available at www.lfa-sagemark.com under My accounts—Disclosures, or the Programs in general, please contact your LFA financial professional.	

PLEASE REVIEW – IMPORTANT INFORMATION REGARDING YOUR DEFAULT CASH SWEEP

<u>You should carefully read the entirety of this Disclosure Document before you consent to the use of the IBDA or the IBRAA as your core account investment vehicle, or "cash sweep</u>." By consenting to the use of the IBDA or the IBRAA as your cash sweep, you acknowledge that you have carefully read this Disclosure Document and agree to the terms and conditions of this Disclosure Document. If you have any questions about this Disclosure Document, the IBDA, or the IBRAA; do not consent to the use of the IBDA or the IBRAA as your cash sweep; or would like any additional information regarding the IBDA or the IBRAA, please contact your LFA financial professional.

YOU UNDERSTAND AND AGREE THAT BY CONSENTING TO THE USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE DOCUMENT AND CONSENT TO EACH OF LFA'S CONFLICTS OF INTEREST DISCLOSED HEREIN. YOU UNDERSTAND AND AGREE THAT LFA RECEIVES SIGNIFICANT FINANCIAL BENEFITS FROM YOUR USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, WHICH ARE IN ADDITION TO ANY OTHER FEES YOU PAY OR INCUR, AND THAT THESE FINANCIAL BENEFITS INCENTIVIZE LFA TO MAKE THE IBDA AND THE IBRAA THE DEFAULT AND ONLY CASH SWEEPS AVAILABLE FOR YOUR IBDA-ELIGIBLE BROKERAGE ACCOUNTS AND IBRAA-ELIGIBLE BROKERAGE ACCOUNTS, RESPECTIVELY, RATHER THAN A DIFFERENT CASH SWEEP THAT DOES NOT ENTAIL SUCH FINANCIAL BENEFITS TO LFA OR ENTAILS LESSER FINANCIAL BENEFITS TO LFA, RESULTING IN A CONFLICT OF INTEREST FOR LFA.

I. INTRODUCTION

As used herein, the terms "LFA," "we," "our," and "us" refer to Lincoln Financial Advisors Corporation, in its capacity as introducing broker-dealer for your account held with us in conjunction with NFS (your "Brokerage Account"). The terms "account owner," "you," and "your" refer to the owner indicated on the applicable account application. For joint accounts, these terms refer to all owners, collectively and individually. For trust accounts, these terms refer both to the entity and to all account owners. For corporate accounts, these terms refer to the corporate entity.

Your Brokerage Account has a core account that is used for settling securities transactions and holding credit balances, as described in your Client Account Agreement, Premiere Select Retirement Account Customer Agreement, or other Brokerage Account agreements (together with accompanying applications and disclosures, your "Account Agreement"). Effective on or about March 5, 2024, the IBDA will become the default and only core account investment vehicle, or "cash sweep," that can be used to hold cash balances awaiting investment (*e.g.*, from cash deposits, securities transactions, dividend and interest payments, and other activities) in your IBDA-eligible Brokerage Accounts and the IBRAA will become the default and only cash sweep that can be used to hold cash balances awaiting investment in your IBRAA-eligible Brokerage Accounts. The IBDA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBDA-eligible Brokerage Account and the IBRAA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBRAA-eligible Brokerage Account. **If you do not wish to consent to the use of the IBDA or the IBRAA, as applicable, as the core account investment vehicle for your Brokerage Account, please contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).**

If you participate in the IBDA or the IBRAA in connection with your Brokerage Account, available cash in your Brokerage Account will be deposited through the IBDA or the IBRAA, as applicable, into Federal Deposit Insurance Corporation ("FDIC") insurance eligible deposit accounts ("Deposit Accounts") at one or more FDIC-insured depository institutions set forth in the list of depository institutions participating in the applicable Program (each, a "Program Bank"). **The lists of Program Banks participating in the IBDA and the IBRAA (each, a "Program Bank List") can be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.** The Program Bank List also shows the sequence in which your cash balance will be deposited in each Program Bank, as more fully described below. Once your cash balance has been swept to a Program Bank, it is referred to as your "Program Deposit." Your ability to access your Program Deposits held at the Program Bank(s) can be limited in certain circumstances, as more fully described herein.

As more fully described in this Disclosure Document, your Brokerage Account with us is generally protected, up to applicable limits, by the Securities Investor Protection Corporation ("SIPC"). However, at the time your cash balances are deposited with one or more Program Banks through the IBDA or the IBRAA, your Program Deposits in the IBDA or the IBRAA are eligible, subject to the limitations described in this Disclosure Document, to be insured up to applicable limits by the FDIC. Your Program Deposits in the Deposit Accounts at each Program Bank are generally eligible for deposit insurance by the FDIC up to a total of $250,000 principal and accrued interest per depositor in most insurable capacities (*e.g.*, corporate, individual, joint, etc.) when aggregated with all other deposits, including, but not limited to, bank accounts, CDs, and deposits held through us and other intermediaries (*e.g.*, other broker-dealers), you hold in the same insurable capacity at a Program Bank (the "Maximum Applicable FDIC Deposit Insurance Amount"). For example, cash in the

Deposit Accounts at a Program Bank held by a company or an individual is insured up to $250,000, and cash in the Deposit Accounts at a Program Bank held jointly by two or more individuals is insured up to $250,000 per joint owner. For individual retirement accounts ("IRAs"), cash in the Deposit Accounts at each Program Bank is eligible for deposit insurance up to $250,000 principal and accrued interest per depositor in the aggregate. **Cash deposited in Deposit Accounts is not eligible for coverage by SIPC.**

Any deposits (including, but not limited to, bank accounts and CDs) that you maintain in the same insurable capacity directly with a Program Bank, or through an intermediary (such as us or another broker-dealer), outside of the Programs will be aggregated with Program Deposits in your Deposit Accounts at such Program Bank for purposes of the Maximum Applicable FDIC Deposit Insurance Amount. **You are solely responsible for monitoring the total amount of deposits that you have with each Program Bank (both through the Programs and outside of the Programs), including any bank accounts, CDs, and other deposits made directly with a Program Bank or through us or any other intermediary, in order to determine the extent of FDIC insurance coverage available to you on your deposits, including Program Deposits, and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance. You should carefully review the section of this Disclosure Document entitled "FDIC/SIPC Coverage."**

Important Note: NFS, as your agent, will place, regardless of the Maximum Applicable FDIC Deposit Insurance Amount, in one Program Bank up to $246,500 of your cash balances for a corporate account, an individual account, an agency account, and a trust account, including a transfer upon or payable on death account; up to $493,000 in one Program Bank for a joint account (regardless of the number of owners); and up to $246,500 for an IRA (each such limit referred to hereinafter as the "Maximum Deposit Amount"). The Maximum Deposit Amount is applied at the Brokerage Account level. **If you maintain more than one Brokerage Account with us that participates in the Programs, you are solely responsible for monitoring your Program Deposits through all of your Brokerage Accounts to ensure that your deposits (both through the Programs and outside of the Programs) do not exceed the Maximum Applicable FDIC Deposit Insurance Amount at any one Program Bank.**

For certain types of accounts, the Maximum Deposit Amount is substantially less than the Maximum Applicable FDIC Deposit Insurance Amount. If your existing Program Deposits at a Program Bank exceed the Maximum Deposit Amount at a Program Bank, funds greater than the Maximum Deposit Amount for each Program Bank will be swept into Deposit Accounts at one or more available Program Banks on your Program Bank List in the order reflected thereon (subject to removal and replacement as further described below).

Once funds equal to the Maximum Deposit Amount have been deposited for you through the IBDA or the IBRAA, as applicable, in each available Program Bank on your Program Bank List that is accepting additional deposits (taking into consideration any Program Bank that you have opted out of or excluded) or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts, any additional funds will be deposited with one or more "Excess Deposit Banks" that will accept your funds without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount. When your Program Deposits with an Excess Deposit Bank (or any other Program Bank) exceed the Maximum Applicable FDIC Deposit Insurance Amount, any such excess Program Deposits will not be covered by FDIC insurance and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC. In instances where your funds cannot be placed at a Program Bank within the IBDA or the IBRAA (*e.g.*, if the IBDA or the IBRAA does not have sufficient deposit capacity to accept new or maintain existing deposits), your funds will be invested in the MMKT Overflow Fund as described in the section entitled "Money Market Mutual Fund Overflow" below. For more complete information about the MMKT Overflow Fund, including all charges and expenses and current yields, contact your LFA financial professional or visit LFA's website at www.lfa-sagemark.com under My accounts—Disclosures for a free prospectus and other important information. Read the prospectus for the MMKT Overflow Fund carefully before you consent to the use of the IBDA or the IBRAA as your cash sweep.

Each Deposit Account constitutes a direct obligation of the Program Bank to you and is not directly or indirectly an obligation of us or NFS. Neither we nor NFS guarantee in any way the financial condition of the Program Banks (including Excess Deposit Banks) or the accuracy of any publicly available financial information concerning the Program Banks. You can obtain publicly available financial information concerning each Program Bank at http://www.ffiec.gov/NPW or by contacting the FDIC Public Information Center by mail at FDIC Public Information Center, 3501 North Fairfax Drive, Room E-1005, Arlington, Virginia 22226 or by phone at 877-275-3342 or 703-562-2200.

You will not have a direct account relationship with the Program Banks. NFS, as your agent and custodian, will establish the Deposit Accounts for you at each Program Bank and will make deposits to and withdrawals from the Deposit Accounts.

Your use of the IBDA or the IBRAA as your cash sweep creates significant financial benefits for LFA, NFS, and the Administrator and conflicts of interest for LFA. We, NFS, and the Administrator will receive fees from each Program

Bank as a result of your and other clients' Program Deposits.

In connection with their participation in the IBDA or the IBRAA, the Program Banks pay higher interest rates than the interest rate you will receive on your Program Deposits. The amount of the fees paid to us, NFS, and the Administrator will directly affect and significantly reduce the interest rate you are paid on your Program Deposits, because the fees we, NFS, and the Administrator receive significantly reduce the amount of interest paid by the Program Banks that is available to be paid to you on your Program Deposits. In connection with the IBDA, we retain the difference between the interest paid by the Program Banks and the interest you receive, after the fees due to NFS and the Administrator are paid. We refer to this differential between the interest paid by the Program Banks and the interest you receive as the "fees" that we, NFS, and the Administrator receive in connection with the IBDA. In connection with the IBRAA, we receive a level monthly fee for each Brokerage Account that participates in the IBRAA, as described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below. We set the fees that we charge in connection with the Programs. This discretion creates a conflict between our interests and your interests because our determination of our share of the interest paid by the Program Banks that we retain as compensation directly affects and significantly reduces the interest you earn on your Program Deposits. The higher the compensation paid to us, the lower the interest paid to you; the lower the compensation paid to us, the higher the interest paid to you. With limited exception, we will retain a substantially greater share of the interest received from the Program Banks as compensation in connection with your Program Deposits than what is credited to you. Additionally, with limited exception, we will retain a substantially greater share of the interest received from the Program Banks as compensation in connection with your Program Deposits than what is paid to NFS and the Administrator. The fees paid to us, NFS, and the Administrator will have a greater impact on the interest rate that you receive than the amount of interest paid by each Program Bank. The fees we charge are not based on our costs in connection with maintaining the Programs and are in addition to other compensation we and your LFA financial professional receive with respect to your Brokerage Account. The fees that we receive in connection with the Programs are higher than the compensation that we would receive in connection with other core account investment vehicles that NFS makes available, including Money Funds, that we have not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts. For additional information regarding the fees we receive from the Program Banks as a result of clients' use of the IBDA or the IBRAA as their cash sweep, as well as our related conflicts of interest, you should carefully review this Disclosure Document, including Section VII.B. below entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest," as well as our Compensation and Conflict of Interest Disclosure, Interest Rate Schedule, Form CRS, Regulation Best Interest Disclosure Document (if you are a commission-based broker-dealer client), and applicable Forms ADV Part 2A (if you are a fee-based investment advisory client), all of which are available on our website at www.lfa-sagemark.com under My accounts—Disclosures. If you have any questions about the fees that we receive in connection with the IBDA or the IBRAA, how those and other applicable fees reduce the interest rate you receive on your Program Deposits, or our related conflicts of interest, please contact your LFA financial professional.

As discussed herein, interest rates on the Deposit Accounts in the IBDA are tiered based on the value of your Program Deposits (the "Interest Rate Tiers"). The interest rate on the Deposit Accounts in the IBRAA is not based on the Interest Rate Tiers but will be a single rate that is based, in part, on our monthly per Brokerage Account fee structure described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below. Interest rates will also vary based upon, among other things, general economic, market, and business conditions; the aggregate amounts paid by the Program Banks, which are typically related to the Federal Funds Target Rate (the "FFT Rate") or a similar rate; the fees that we, NFS, and the Administrator charge in connection with the Programs; and other relevant factors. The current Interest Rate Tiers for the IBDA and current interest rates for the IBDA and the IBRAA can be obtained from your LFA financial professional or from our website at www.lfa-sagemark.com under My accounts—Disclosures. Through the Programs, we do not offer the highest interest rates available or interest rates that are comparable to Money Funds or other available investment options. Additionally, the Program Banks have a financial incentive to pay the lowest interest rates that the market will permit. By comparison, Money Funds generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses. For more complete information about any Money Fund, including charges, expenses, and current yields, please contact your LFA financial professional for a free prospectus. You should read the prospectus for any Money Fund carefully before you invest or send money.

The information in this Disclosure Document applies, unless otherwise indicated, to each IBDA-eligible Brokerage Account and IBRAA-eligible Brokerage Account for which you are an owner, whether as a corporation, individual, joint tenant, trustee, executor, or custodian, or in any other capacity.

Clients Affected by the Programs

Only eligible Brokerage Accounts (as specified in the "Bank Sweep Program Eligibility" section below) are entitled to use the IBDA or the IBRAA as their core account investment vehicle, or "cash sweep," and will be subject to the information discussed in this Disclosure Document when they do so. Refer to the "Bank Sweep Program Eligibility" section of this Disclosure Document or contact your LFA financial professional for information concerning your Brokerage Account's eligibility for the IBDA or the IBRAA. Additionally, please review the account eligibility information available on LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.

Your Options if You Do Not Consent to the Programs

Effective on or about March 5, 2024, the IBDA will become the default and only core account investment vehicle, or "cash sweep," that is available for use by IBDA-eligible Brokerage Accounts and the IBRAA will become the default and only cash sweep that is available for use by IBRAA-eligible Brokerage Accounts. The IBDA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBDA-eligible Brokerage Account and the IBRAA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBRAA-eligible Brokerage Account. **If you do not wish to consent to the use of the IBDA or the IBRAA, as applicable, as the core account investment vehicle for your Brokerage Account, please contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).**

While the IBDA and the IBRAA will become the default and only core account investment vehicles that are available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively, effective on or about March 5, 2024, you can invest in Money Funds and other investment options that LFA makes available for you to purchase outside of the Programs. Cash balances swept into the IBDA or the IBRAA will pay a significantly lower interest rate to you than other available cash equivalent products, including, but not limited to, Money Funds, that your LFA financial professional can recommend or select in investing other portions of your Brokerage Account. This presents a conflict of interest for LFA because LFA will receive significantly greater compensation on your Program Deposits than it would on equivalent amounts of your cash invested in other available investments that you can purchase and hold in other portions of your Brokerage Account. This conflict of interest influences LFA to make the IBDA and the IBRAA the default and only core account investment vehicles, or "cash sweeps," available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively. Should you have any questions regarding Money Funds or other investment options that are available for you to purchase outside of the Programs, please contact your LFA financial professional.

Rates of Return

Information about the Programs (including, but not limited to, the Interest Rate Tiers for the IBDA and interest rates for the IBDA and the IBRAA) may be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.

The interest rate you receive on your Program Deposits will vary over time without notice to you; will be significantly lower than the total interest paid by the Program Banks on your Program Deposits due to the fees imposed by us, NFS, and the Administrator; will be lower than the rates of return on other core account investment vehicles that NFS makes available and that are not FDIC insured, such as Money Funds (including the MMKT Overflow Fund), and that LFA has not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts; will be lower than the rates of return on Money Funds and other investment options that LFA makes available for you to purchase outside of the Programs; and will in certain circumstances be lower than the rates of return on FDIC insured and other bank account deposits offered outside the Programs.

Through the Programs, we do not offer the highest interest rates available or interest rates that are comparable to Money Funds or other available investment options. Additionally, the Program Banks have a financial incentive to pay the lowest interest rates that the market will permit. By comparison, Money Funds generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses. For more complete information about any Money Fund, including charges, expenses, and current yields, please contact your LFA financial professional for a free prospectus. You should read the prospectus for any Money Fund carefully before you invest or send money.

You should also carefully review the section of this Disclosure Document entitled "Interest."

Your Options if You Do Not Consent to the Programs

We are not obligated to offer you any core account investment vehicle or to make available to you an FDIC-insured bank deposit account or program that offers a rate of return that is equal to or greater than other available investments (*e.g.*, Money Funds) or deposits.

If you do not wish to consent to the use of the IBDA or the IBRAA, as applicable, as the core account investment vehicle for your Brokerage Account, please contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).

For more complete information about Money Funds and other investment options that LFA makes available for you to purchase outside of the Programs, including charges, expenses, and current yields, contact your LFA financial professional for a free prospectus or other disclosure document. Read the prospectus or other disclosure document carefully before you invest or send money.

In its capacity as introducing broker-dealer for your Brokerage Account, LFA does not (and NFS does not) monitor the core account investment vehicle for your Brokerage Account or make recommendations to you regarding, or changes to, the Programs that might be beneficial to you.

You May Continue to Invest in Money Funds and Other Available Investment Products

While the IBDA and the IBRAA will become the default and only core account investment vehicles that are available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively, effective on or about March 5, 2024, you can invest in Money Funds and other investment options that LFA makes available for you to purchase outside of the Programs. If you purchase shares in Money Funds or other available investment products outside of the Programs, such investments will be subject to all applicable commissions and fees, including, but not limited to, applicable commissions and fees reflected in LFA's Fee and Commission Schedule for Accounts Held with NFS, which is available on LFA's website at www.lfa-sagemark.com under My accounts—Cost, and applicable internal investment product expenses (*e.g.*, 12b-1 fees on Money Funds and other mutual funds), where applicable.

Brokerage Accounts that are not eligible to participate in the Programs may use another core account investment vehicle that LFA makes available for their Brokerage Account type. The current core account investment vehicle available for Brokerage Accounts that are not eligible to participate in the Programs can be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.

You could lose money by investing in a Money Fund or other available investment product. An investment in a Money Fund or other available investment product is not insured or guaranteed by the FDIC or any other government agency; however, Money Funds and other investment products held in your Brokerage Account are protected by SIPC, as described herein. You should carefully review the differences between SIPC protection and FDIC insurance and the limitations applicable to each. Before investing in a Money Fund or other available investment product, always read the Money Fund's or other investment product's prospectus or other disclosure document for detailed information regarding the policies, fees, and material risks specific to that Money Fund or other investment product.

No Impact on Your Annual Brokerage Account Fees

Your participation in the IBDA or the IBRAA will not affect your existing Brokerage Account fees. However, LFA's, NFS's, and the Administrator's fees in connection with the IBDA and the IBRAA are deducted from the interest amounts received from the Program Banks, which directly affects and significantly reduces the interest that you receive on your Program Deposits. Additionally, as described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below, although LFA generally anticipates that the monthly per Brokerage Account fee that LFA charges in connection with the IBRAA will be offset by the amounts paid by the Program Banks, LFA reserves the right to withdraw from your Brokerage Account LFA's full monthly per Brokerage Account fee, or any portion thereof, in the event or to the extent that the amounts received from the Program Banks are less than LFA's monthly per Brokerage Account fee.

Access to Funds in the Deposit Accounts

As required by federal banking regulations, each Program Bank has reserved the right to require seven (7) calendar days' prior notice before permitting a withdrawal of any Program Deposits. So long as this right is not exercised, and there is not a Program Bank failure that would require FDIC intervention, your ability to access your Program Deposits, including your ability to write checks against your Brokerage Account, should not be impacted. Your interest in a Deposit Account is not transferable. Notwithstanding the foregoing, you will remain obligated for all obligations arising from your Brokerage Account, including, but not limited to, the fees charged to your Brokerage Account, margin balances, settlement of transactions, checks, wires, and debit card purchases.

Tax Information

For most clients with non-retirement Brokerage Account types, interest earned from the Deposit Accounts will be taxed as ordinary income in the year it is received. For applicable Brokerage Account types, a Form 1099 will be sent to you by NFS each year showing the amount of interest income you have earned on Program Deposits in your Deposit Accounts. Interest earned in Deposit Accounts for retirement Brokerage Accounts is generally not taxed until you take a distribution. LFA and its financial professionals do not provide tax advice, and you should consult with your tax advisor about how the IBDA or the IBRAA, as applicable, affects you.

II. DETAILS

This Disclosure Document contains key information about the IBDA and the IBRAA, which are offered by us in conjunction with NFS, a New York Stock Exchange ("NYSE") and Financial Industry Regulatory Authority ("FINRA") member, whom we have engaged to provide custody and clearing services to us. Additional terms, conditions, and disclosures applicable to your Brokerage Account are included in other documents, including, but not limited to, your account application, Account Agreement, and applicable privacy notice (collectively, your "Other Agreements"), and are hereby incorporated by reference into this Disclosure Document. In the event of a conflict between the terms of this Disclosure Document and the terms of your Other Agreements, the terms of this Disclosure Document will control with respect to the subject matter hereof. Review your Other Agreements for important information governing your Brokerage Account.

A. Bank Sweep Program Eligibility

Eligibility for the IBDA and the IBRAA is based on your Brokerage Account type and is subject to the limitations described herein and as determined by us and NFS.

IBDA Eligibility: The IBDA is available to individuals, acting for themselves or through an agent or fiduciary, whether having a single account or a joint account; trust accounts; and sole proprietorships. Except as noted below, IRAs, including Premiere Select® IRAs and Premiere Select Roth IRAs, and health savings accounts ("HSAs") are also eligible for the IBDA if they do not participate in any of LFA's fee-based investment advisory programs. In addition, certain tax-exempt non-profit organizations are eligible for the IBDA. Brokerage Accounts beneficially owned by entities organized to make a profit, such as corporations, limited liability companies, partnerships, limited liability partnerships, associations, business trusts, and other organizations are also eligible for the IBDA. Brokerage Account types that are not eligible to participate in the IBDA include Brokerage Accounts for: (i) employee benefit plans, including those subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and those subject to Sections 403(b) or 457 of the Internal Revenue Code of 1986, as amended (the "Code"); (ii) Keogh plans; (iii) voluntary employees' benefit association ("VEBA") plans; (iv) small employer plans, such as SEP IRAs, SIMPLE IRAs, and solo 401(k) plans; (v) IRAs and HSAs that participate in any of LFA's fee-based investment advisory programs; and (vi) non-U.S. clients.

IBRAA Eligibility: Eligibility for the IBRAA is limited to certain IRAs, including Premiere Select® IRAs and Premiere Select Roth IRAs, and HSAs that participate in LFA's fee-based investment advisory programs. Brokerage Account types that are not eligible for the IBRAA include: (i) SEP IRAs; (ii) SIMPLE IRAs; (iii) IRAs and HSAs that do not participate in any of LFA's fee-based investment advisory programs; and (iv) Brokerage Accounts for non-U.S. clients.

Disclosures Applicable to Both the IBDA and the IBRAA: We and NFS reserve the right to modify the eligibility criteria for the IBDA and the IBRAA at any time. If we or NFS determine that your Brokerage Account is not eligible for the IBDA or the IBRAA or the eligibility requirements for the IBDA or the IBRAA change, we reserve the right to change your core account investment vehicle, as that term is defined in your Brokerage Account documentation, or any amendments thereto, including, but not limited to, your Other Agreements, from the IBDA or the IBRAA to an alternate core account investment vehicle made available and selected by us and NFS, which may or may not be an FDIC-insured account or program.

Please contact your LFA financial professional if you have any questions regarding your Brokerage Account's eligibility for the IBDA or the IBRAA. If you consent to the use of the IBDA or the IBRAA as your Brokerage Account's cash sweep, you attest that your Brokerage Account meets the eligibility criteria for the IBDA or the IBRAA described herein.

LFA makes different sweep options available for different types of Brokerage Accounts and Brokerage Account registrations. The interest rates or returns that clients receive on their cash sweep holdings and the compensation that LFA receives in connection with clients' cash sweep holdings varies across these different sweep options. As a result, LFA has a conflict of interest given its financial incentive to recommend that clients invest through Brokerage Account types and registrations that use cash sweeps that pay LFA the highest compensation, rather than those that use cash sweeps that pay LFA relatively lower or no compensation.

B. How the Programs Work; Sweep to Program Banks

When designated as your core account investment vehicle, the IBDA or the IBRAA, as applicable, will be used to hold your cash balance while awaiting investment. When you participate in the IBDA or the IBRAA, the cash balance awaiting investment in your Brokerage Account (*e.g.*, from sales of securities, cash deposits, dividend and interest payments, and other activities) will be automatically deposited, or "swept," into interest-bearing FDIC insurance eligible Deposit Accounts at one or more Program Banks on your Program Bank List in the order in which such Program Banks appear on your Program Bank List. Once your cash balance has been swept to a Program Bank, it is referred to as your "Program Deposit." Note that your ability to access your money held at the Program Bank(s) can in certain circumstances be limited, as more fully described herein.

Funds will be swept into Deposit Accounts at a Program Bank up to the Maximum Deposit Amount. Funds in excess of the Maximum Deposit Amount (or funds that cannot otherwise be deposited at a particular Program Bank because that Program Bank is not accepting additional deposits for any reason, including due to capacity constraints or other issues) will be swept into the next successive Program Bank on your Program Bank List. Once the Maximum Deposit Amount has been reached in all Program Banks on your Program Bank List that are accepting additional deposits (or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts), additional funds will be swept into your Excess Deposit Banks (as defined in the "Maximum Deposit Amount" section below) without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount.

Your Program Bank List designates one or more Program Banks as Excess Deposit Banks. When each of the Program Banks prior to the Excess Deposit Banks on your Program Bank List that is accepting additional deposits has received Program Deposits equal to the Maximum Deposit Amount (or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts), your funds will be deposited in one or more of the Excess Deposit Banks without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount. Any of your Program Deposits held in excess of the Maximum Applicable FDIC Deposit Insurance Amount at any Program Bank, including, but not limited to, any Excess Deposit Bank, will not be covered by FDIC insurance and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.

You may not change the Program Banks on your Program Bank List, the order in which your funds are deposited at the Program Banks on your Program Bank List, or the Maximum Deposit Amount at any Program Bank. **You may, however, at any time, designate one or more Program Banks as ineligible to receive any of your funds through the IBDA or the IBRAA (otherwise referred to as "opting out" of a Program Bank) by contacting your LFA financial professional.** Any such action will result in any current Program Deposits at such Program Bank being withdrawn and such funds (along with any new Program Deposits) being deposited into Deposit Accounts at the next available Program Bank on your Program Bank List on the next business day that a sweep is effected after such "opt out" instructions have been processed. No new funds will be deposited into any Program Bank that you have opted out of (*i.e.*, designated as ineligible to receive any of your funds through the IBDA or the IBRAA). If you designate one or more Program Banks as ineligible to receive your funds through the IBDA or the IBRAA, you increase the likelihood that the total amount of FDIC insurance for which your cash balances will be eligible in the IBDA or the IBRAA will be reduced. Opting out of a Program Bank does not affect any other deposits you may have with such Program Bank outside of the IBDA or the IBRAA. Participation in the IBDA or the IBRAA requires at least one (1) Program Bank remaining eligible to receive your deposits. Thus, you may not opt out of all Program Banks on your Program Bank List.

With the exception of a Program Bank that serves as an Excess Deposit Bank, your cash balances will not be swept into a Deposit Account at a Program Bank in an amount that exceeds the Maximum Deposit Amount, and you may designate any Program Bank on the Program Bank List as ineligible to accept your funds by "opting out" in accordance with the procedures set forth herein. **You are solely responsible for monitoring the total amount of deposits that you have with each Program Bank (both through the Programs and outside of the Programs), including any bank accounts, CDs, and other deposits made directly with a Program Bank or through us or any other intermediary, in order to determine the extent of FDIC insurance coverage available to you on your deposits, including Program Deposits, and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance.**

Maximum Deposit Amount

NFS, as your agent, will place, regardless of the Maximum Applicable FDIC Deposit Insurance Amount, in one Program Bank, up to $246,500 of your cash balances for a corporate account, an individual account, an agency account, and a trust account, including a transfer upon or payable on death account; up to $493,000 in one Program Bank for a joint account (regardless of the number of owners); and up to $246,500 for an IRA (each such limit referred to hereinafter as the "Maximum Deposit Amount"). The Maximum Deposit Amount is applied at the Brokerage Account level. **If you maintain more than one Brokerage Account with us that participates in the IBDA or the IBRAA, you are solely responsible for monitoring your Program Deposits through all of your Brokerage Accounts to ensure that your deposits (both**

through the Programs and outside of the Programs) do not exceed the Maximum Applicable FDIC Deposit Insurance Amount at any one Program Bank.

For certain types of accounts, the Maximum Deposit Amount is substantially less than the Maximum Applicable FDIC Deposit Insurance Amount. If your existing Program Deposits at a Program Bank exceed the Maximum Deposit Amount, funds greater than the Maximum Deposit Amount for each Program Bank will be swept into Deposit Accounts at one or more available Program Banks on your Program Bank List in the order reflected thereon, subject to removal and replacement as further described in this Disclosure Document.

Once funds equal to the Maximum Deposit Amount have been deposited for you through the IBDA or the IBRAA, as applicable, in each available Program Bank on your Program Bank List that is accepting additional deposits (taking into consideration any Program Bank that you have opted out of or excluded) or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts, any additional funds will be deposited with one or more designated Program Banks on your Program Bank List that will accept your funds without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount (each, an "Excess Deposit Bank"). When your Program Deposits with an Excess Deposit Bank (or any other Program Bank) exceed the Maximum Applicable FDIC Deposit Insurance Amount, any such excess Program Deposits will not be covered by FDIC insurance and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.

Bank Sweep Program Limitations

The amount of your cash balances that are swept into Deposit Accounts will in certain circumstances need to be limited if one or more Program Banks stop accepting deposits or become ineligible for the IBDA or the IBRAA as described in this Disclosure Document, or for other exceptional circumstances, and such limitations will in certain circumstances reduce the total amount of FDIC insurance that is available to you. You will generally receive notification in advance of any Program Bank being removed from the Program Bank List. If advance notice is not practical due to the circumstances, you will be notified as soon as is reasonably practical. Consult the following sections for further important information, as such actions will in certain circumstances reduce the amount of your cash balances that are covered by FDIC insurance. Also consult the section entitled "Notices" below.

Money Market Mutual Fund Overflow

Certain events will result in the sweeping of your cash balances into a Money Fund instead of the Program Banks. This feature of the IBDA and the IBRAA is called the Money Market Mutual Fund Overflow ("MMKT Overflow""). If the IBDA or the IBRAA does not have sufficient deposit capacity to accept new or maintain existing deposits, any balance that cannot be placed or maintained at a Program Bank(s), including Excess Deposit Banks, will then be swept into the MMKT Overflow.

The enhanced sweep process between your Brokerage Account, the Deposit Accounts, and the MMKT Overflow is referred to herein together as the "IBDA" or the "IBRAA," as applicable, and is also included in the definition of your "Core Account Investment Vehicle." **The Fidelity Government Money Market: "S" Class fund is the Money Fund that will be utilized for the MMKT Overflow (the "MMKT Overflow Fund")**. More details about the MMKT Overflow Fund can be found in the MMKT Overflow Fund's prospectus, which will be made available to you when applicable and can be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.

Summary: Balances will sweep into the Program Banks as described above in the "How the Programs Work; Sweep to Program Banks" section. If, however, the applicable Program Banks are unwilling or unable to accept funds, these funds will be swept to the MMKT Overflow Fund rather than the Program Bank(s).

Your Program Deposit is automatically "swept" out of a Deposit Account as necessary to satisfy debits in your Brokerage Account. However, in the event you have cash balances in the MMKT Overflow Fund, the cash balances will first be debited from the MMKT Overflow Fund, then from your Deposit Accounts at the Program Banks.

Debits in your Brokerage Account associated with certain actual or anticipated transactions during the business day will first be settled using proceeds from the redemption of any shares of the MMKT Overflow Fund, then withdrawal of Program Deposits that are swept out on such business day. Other debits will first be settled using proceeds from redemption of any shares of the MMKT Overflow Fund, then the withdrawal of Program Deposits that are swept out on the next business day.

If additional capacity becomes available at the Program Banks, any cash balances held in the MMKT Overflow Fund will remain and will **NOT** automatically be transferred or rebalanced into newly open and/or available Program Banks. Other than being used to satisfy debits or withdrawals in your Brokerage Account, funds will remain in the MMKT Overflow Fund. However, see the information under the heading "Rebalance Event" below.

<u>Rate of Return for Cash Balances Held in the MMKT Overflow Fund</u>: In the event there is a cash balance held in the MMKT Overflow Fund, the rate of return for the MMKT Overflow Fund typically will be shown for a seven-day period. It is typically expressed as an annual percentage rate. It is referred to as the "7-day yield" and can change at any time without notice to you based on the performance of the investments held by the MMKT Overflow Fund and other factors. The effective yield on the MMKT Overflow Fund reflects the effect of compounding of interest over a one-year period.

In general, a Money Fund, such as the MMKT Overflow Fund, earns interest, dividends, and other income from its investments, and distributes this income (less expenses) to shareholders as dividends. Each Money Fund may also realize capital gains from its investments and distributes these gains (less losses), if any, to shareholders as capital gain distributions.

Distributions from a Money Fund consist primarily of dividends. A Money Fund normally declares dividends daily and pays them monthly. Funds held in the MMKT Overflow Fund begin earning dividend accruals on the day they are received by the MMKT Overflow Fund and stop accruing dividends on the day they are withdrawn. For additional information on fees and expenses, returns, and material risk factors of the MMKT Overflow Fund, see the MMKT Overflow Fund's prospectus. For this and additional information regarding the MMKT Overflow Fund, please speak with your LFA financial professional and review the information available on LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.

<u>Statements</u>: The statements for your Brokerage Account will (i) indicate your balance in your core account, including your Program Deposit balance at each Program Bank and in the MMKT Overflow Fund (if applicable), as of the last business day of each monthly statement period, (ii) detail sweeps to and from your core account during the statement period, and (iii) reflect the rate of return for the MMKT Overflow Fund, if applicable. This information is provided in lieu of separate confirmations of each transaction. The monthly per Brokerage Account fee that we charge in connection with the IBRAA will not generally be seen on your Brokerage Account statements due to the manner in which we receive this fee from the amounts paid by the Program Banks, as described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below.

<u>Insurance</u>: If your cash balances are swept from a Deposit Account into the MMKT Overflow Fund, such funds will no longer be eligible for FDIC insurance but will be eligible for SIPC protection, up to applicable limits, as further described in the section entitled "FDIC/SIPC Coverage" below. More details about the MMKT Overflow Fund can be found in the MMKT Overflow Fund's prospectus, which will be made available to you when applicable and can be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures.

<u>Rebalance Event</u>: From time to time, and as part of the management of the Programs, if additional deposit capacity becomes available, NFS, in collaboration with LFA, is authorized to periodically sweep funds out of the MMKT Overflow Fund and back to Program Banks on your Program Bank List, including Excess Deposit Banks, to be held as a Program Deposit (a "Rebalance Event"). You will be notified in advance of any Rebalance Event. Notice will be provided to you in writing and will inform you of approximately when such Rebalance Event will be implemented. Continued use of your Brokerage Account and/or the IBDA or the IBRAA after a notice of a Rebalance Event will constitute your consent to such Rebalance Event and the changes described therein.

The MMKT Overflow Fund is a Money Fund offered by Fidelity Management and Research Company ("FMR Co."). FMR Co. will receive management and other fees for assets held in the MMKT Overflow Fund, as more fully described in the MMKT Overflow Fund's prospectus. We have a conflict of interest given our financial incentive to encourage NFS to conduct Rebalance Events, which will transfer client funds from the MMKT Overflow Fund to Deposit Accounts at the Program Banks on which we receive compensation as described herein.

C. <u>FDIC Insurance Coverage in General</u>

The Deposit Accounts (including principal and accrued interest) are insured by the FDIC, an independent agency of the U.S. Government, up to the Maximum Applicable FDIC Deposit Insurance Amount set by the FDIC for all deposits held in the same insurable capacity at any one Program Bank as more fully explained below. Your funds become eligible for FDIC deposit insurance immediately upon placement into a Deposit Account at a Program Bank. Any accounts and deposits (including, but not limited to, bank accounts and CDs) that you maintain directly with a Program Bank, or through us or any other intermediary, outside of the Programs in the same insurable capacity in which the Deposit Accounts are maintained will be aggregated with the Deposit Accounts for purposes of the Maximum Applicable FDIC Deposit Insurance Amount. **You are solely responsible for monitoring the total amount of deposits that you have with each Program Bank (both through the Programs and outside of the Programs), including any bank accounts, CDs, and other deposits made directly with a Program Bank or through us or any other intermediary, in order to determine the extent of FDIC insurance coverage available to you on your deposits, including Program Deposits, and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance.**

We and NFS are not responsible for any insured or uninsured portion of the Deposit Accounts or any other deposits

you hold with the Program Banks within or outside of the Programs. All funds that are not insured by the FDIC are at a risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.

See "FDIC/SIPC Coverage" below for more detailed information on FDIC insurance coverage for Deposit Accounts, SIPC coverage for Brokerage Accounts, and the limitations of each.

D. Your Options if You Do Not Consent to the Programs

Effective on or about March 5, 2024, the IBDA will become the default and only core account investment vehicle, or "cash sweep," that is available for use by IBDA-eligible Brokerage Accounts and the IBRAA will become the default and only cash sweep that is available for use by IBRAA-eligible Brokerage Accounts. The IBDA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBDA-eligible Brokerage Account and the IBRAA will be used as your Brokerage Account's cash sweep by default if you are investing through an IBRAA-eligible Brokerage Account. **If you do not wish to consent to the use of the IBDA or the IBRAA, as applicable, as the core account investment vehicle for your Brokerage Account, please contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).**

While the IBDA and the IBRAA are the default and only core account investment vehicles that are available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively, you can invest in Money Funds and other investment options that LFA makes available for you to purchase outside of the Programs. Should you have any questions regarding Money Funds or other investment options that are available for you to purchase outside of the Programs, please contact your LFA financial professional.

III. PROGRAM BANKS

A. General Information About Program Banks and Your Duty to Monitor Your Deposits with the Program Banks

The Program Bank List specifies the Program Banks into which your funds will be deposited and the order in which the Program Banks will receive your funds. The Program Bank Lists for the IBDA and the IBRAA are available from your LFA financial professional and from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures. The Program Bank List also indicates the Program Banks that will serve as your Excess Deposit Banks, which will be utilized for your Program Deposits after the Maximum Deposit Amount has been placed in all the Program Banks on your Program Bank List that are accepting additional deposits (taking into consideration any Program Bank that you have opted out of or excluded) or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts, and the sequence that will be used for deposits into these Excess Deposit Banks. You cannot select the Excess Deposit Banks at which such excess deposits will be made. If an Excess Deposit Bank is also listed as a standard bank on the Program Bank List, the Excess Deposit Bank would receive, in the sequence listed, deposits up to the Maximum Deposit Amount just as any other Program Bank and after deposits of the Maximum Deposit Amount have been made at all of the other Program Banks on your Program Bank List that are accepting additional deposits (taking into consideration any Program Bank that you have opted out of or excluded) or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts, excess deposits would then be placed in your Excess Deposits Bank without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount. **To the extent that your deposits (both through the Programs and outside of the Programs) in your Excess Deposit Bank (or any other Program Bank) exceed the Maximum Applicable FDIC Deposit Insurance Amount, these excess funds are not eligible for FDIC insurance and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.**

You are solely responsible for monitoring the total amount of deposits that you have with each Program Bank (both through the Programs and outside of the Programs), including any bank accounts, CDs, and other deposits made directly with a Program Bank or through us or any other intermediary, in order to determine the extent of FDIC insurance coverage available to you on your deposits, including Program Deposits, and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance. Depending on the amount of deposits that you have at a Program Bank apart from your Program Deposits, you may wish to direct that one or more Program Banks on the Program Bank List be excluded from holding your Program Deposits. To exclude one or more Program Banks on the Program Bank List from holding your Program Deposits, please contact your LFA financial professional. LFA is not responsible for any insured or uninsured portion of your Deposit Accounts (including your Deposit Accounts with Excess Deposit Banks) or any other deposits you hold with the Program Banks within or outside of the Programs.

You should review your Program Bank List carefully and often. You should also regularly check LFA's website at www.lfa-sagemark.com under My accounts—Disclosures for changes to your Program Bank List.

In our capacity as introducing broker-dealer for your Brokerage Account, we do not (and NFS does not) monitor the core account investment vehicle for your Brokerage Account or make recommendations to you regarding, or changes to, the Programs that might be beneficial to you.

Deposits at each Program Bank, including, but not limited to, the Excess Deposit Banks, are eligible for FDIC insurance coverage up to the Maximum Applicable FDIC Deposit Insurance Amount. Deposits in excess of the Maximum Applicable FDIC Deposit Insurance Amount with any Program Bank will not be insured by the FDIC and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.

The amount of FDIC insurance in all Program Banks will be limited pursuant to the limitations explained in this Disclosure Document. In any event, all deposits in the IBDA and the IBRAA are subject to all applicable FDIC qualification requirements and to the limitations applicable to the IBDA and the IBRAA as described in this Disclosure Document.

B. Program Bank Lists

Program Banks are organized into regional bank lists with each Program Bank List assigned based upon the state as reflected in your Brokerage Account mailing address. Your Brokerage Account mailing address is the address to which correspondence from LFA is mailed. You may contact your LFA financial professional or visit LFA's website at www.lfa-sagemark.com under My accounts—Disclosures for the current Program Bank Lists and priority sequence orders for the IBDA and the IBRAA. If you have any questions about how the Program Bank List applies to your Brokerage Account (*e.g.*, which regional bank list is applicable to your Brokerage Account), please contact your LFA financial professional.

C. Deposit Accounts

Your Program Deposits will generally be deposited in two linked bank accounts at one or more Program Banks up to the Maximum Deposit Amount on a combined basis at each Program Bank: (1) an interest-bearing savings deposit account (commonly referred to as a Money Market Deposit Account, or "MMDA account") and (2) an interest-bearing transaction account. You will receive the same interest rate on the funds in your MMDA account and in your transaction account at each Program Bank. Your Brokerage Account statement will reflect the combined balances of the MMDA account and the transaction account at each Program Bank.

Your Program Deposits will be deposited at the Program Bank into a transaction account and an MMDA account maintained by NFS for your benefit and the benefit of other clients of LFA and/or NFS that participate in the Programs. A portion of your Program Deposit will be allocated to the transaction account and a portion of your Program Deposit will be allocated to the MMDA account as described herein. Available cash balances are deposited in your MMDA account at each Program Bank as set forth above. From time to time, part of such deposits will be transferred to your transaction account to establish and/or maintain a threshold amount which will in certain circumstances differ among clients. All withdrawals will be made from the transaction account at the Program Bank based on the reverse of the priority sequence of the Program Bank List (*i.e.*, last in, first out). As necessary to satisfy debits in your Brokerage Account (*e.g.*, from account fees, securities purchases, checks, debit card purchases, etc.), funds will automatically be transferred from the MMDA account to the related transaction account at the applicable Program Bank. If there are insufficient funds in the Deposit Accounts to satisfy a debit, NFS will withdraw funds from other available sources as described in this Disclosure Document or in your Other Agreements.

Federal banking regulations limit the number of days in which you can have net withdrawals from an MMDA account to a total of six (6) during a monthly statement cycle. At any point during a month in which transfers from an MMDA account at a Program Bank have reached the applicable limit, all funds will be transferred from that MMDA account to the linked transaction account at the Program Bank. For the remainder of the month, all deposits for that Program Bank will be made to the transaction account. At the beginning of the next month, an amount of funds on deposit in the transaction account less any applicable threshold amount will be automatically transferred back to the MMDA account. Due to the linking of the transaction and MMDA accounts as described above, the federal banking limits on MMDA account transfers will not effectively limit the number of withdrawals you can make from funds on deposit at a Program Bank.

The cash balances awaiting investment in your Brokerage Account will be automatically swept from your Brokerage Account into your Deposit Accounts on the business day following the day your Brokerage Account reflects a cash balance. For purposes of the Programs and this Disclosure Document, business day generally means a day on which Program Banks participating in the Programs are open for business. Available cash balances will not begin to earn interest or be eligible for FDIC insurance until they are swept into the Deposit Account(s) at the Program Bank(s). **As stated above, to the extent your deposits outside of the Programs, in combination with your Program Deposits, exceed the Maximum Applicable FDIC Deposit Insurance Amount at any Program Bank, the amounts above such limits will NOT be eligible for FDIC insurance protection and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.**

Although your cash balances generally will be deposited in Deposit Accounts at the Program Banks in the order in which the Program Banks appear on your Program Bank List, in certain circumstances, a Program Bank on the Program Bank List may be unable or unwilling to accept your funds on a particular day or a Program Bank may be removed from the Program Bank List and not replaced. If advance notice of these circumstances is not practical due to the circumstances, you will be notified as soon as is reasonably practical. See the section of this Disclosure Document entitled "Changes" for the options available to you in the event of a change to the Program Bank List. You should also consult your LFA financial professional and regularly check LFA's website at www.lfa-sagemark.com under My accounts—Disclosures for changes to your Program Bank List.

If a Program Bank is unable or unwilling to accept your funds on a day you have funds to deposit, your funds will be deposited in the next available Program Bank on your Program Bank List up to the Maximum Deposit Amount. **Due to the unavailability of a Program Bank for any circumstance, funds may be placed at a Program Bank in excess of the Maximum Deposit Amount and, as indicated above, Program Deposits in excess of the Maximum Applicable FDIC Deposit Insurance Amount will <u>NOT</u> be eligible for FDIC insurance protection and will be subject to complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.** At the end of any given month, a reallocation of Program Deposits may occur, due to deposits in excess of the Maximum Deposit Amount at any Program Bank, including an Excess Deposit Bank, an elimination of a Program Bank, or the temporary removal of a Program Bank from the Programs. If such occurs, NFS will determine the amount of your funds, if any, that are in excess of the Maximum Deposit Amount or that have been deposited in Program Banks in an order different than the priority sequence on the Program Bank List. If it is possible to re-balance your funds based upon the priority sequence of your Program Bank List, NFS, as your agent, will withdraw your funds and re-deposit them in that sequence. If this cannot be accomplished, your balances will remain at the Program Bank(s) where the deposits are currently situated at that time.

D. <u>Withdrawals and Credits – Access to Your Program Deposits</u>

When funds are needed to cover transactions in your Brokerage Account, generated by account activity occurring prior to NFS's nightly processing cycle, these debits will be settled using the following sources, in this order:

- any Intra-day or After-hours Free Credit Balances;
- if applicable, proceeds from the sale of shares of the MMKT Overflow Fund;
- proceeds from the withdrawal of Program Deposits occurring on the next business day (not including bank holidays or days on which the NYSE is closed, such as Good Friday);
- redemption proceeds from the sale of any shares of a Fidelity Money Fund held in the Brokerage Account that maintains a stable (*i.e.*, $1.00/share) net asset value and is not subject to a liquidity fee or similar fee or assessment; and
- if you have a margin Brokerage Account, any margin surplus available, which will increase your margin balance.

In addition, early in the morning prior to the start of business on each business day, certain unsettled debits in your Brokerage Account along with debits associated with certain actual or anticipated transactions that would otherwise generate a debit in your Brokerage Account during the business day will be settled using proceeds from the withdrawal of Program Deposits occurring that business day (not including bank holidays or days on which the NYSE is closed, such as Good Friday).

If a withdrawal of funds from your Deposit Accounts is necessary to satisfy a debit, funds will be withdrawn from your Deposit Accounts at the Program Banks in the reverse order in which the Program Banks appear on your Program Bank List on the date of the withdrawal. Funds will be withdrawn on a "last in, first out" basis (beginning with your Excess Deposit Banks) and moving backward through your Program Bank List up to the first Program Bank on your Program Bank List.

Review your Account Agreement and Other Agreements for important information regarding your unsatisfied obligations owed to us and/or NFS.

You may access your Program Deposits only through your Brokerage Account. You cannot access or withdraw Program Deposits by contacting a Program Bank directly.

NFS will automatically withdraw funds from your Deposit Accounts (up to the amount of your Program Deposit) back to your Brokerage Account in order to satisfy any obligation you have to us or NFS or to settle a securities transaction or other debit transaction (including, but not limited to, account fees, checks, wires, debit card purchases, or margin balances) in any account you have with us or NFS. Your Program Deposits are also subject to legal processes such as a levy or garnishment delivered to us or NFS to the same extent as if those funds were in your Brokerage Account.

As required by federal banking regulations, each Program Bank has reserved the right to require seven (7) calendar days' prior notice before permitting a withdrawal of any Program Deposits. So long as this right is not exercised, and there is not a Program Bank failure that would require FDIC intervention, your ability to access your Program Deposits, including your ability to write checks against your Brokerage Account, should not be impacted. Your interest in a Deposit Account is not transferable. Notwithstanding the foregoing, you will remain obligated for all obligations arising from your Brokerage Account, including, but not limited to, margin balances, settlement of transactions, checks, wires, and debit card purchases.

Credits to your Brokerage Account, including any Intra-day Free Credit Balance as well as any After-hours Free Credit Balance generated by activity occurring prior to NFS's nightly processing cycle, are automatically swept into your core account as part of that nightly cycle (the "Evening Bank Sweep") and reflected in your Brokerage Account as Program Deposits in anticipation of the deposit process described below occurring on the next business day.

There will be an additional automatic sweep into your core account early in the morning prior to the start of business on each business day that will also be invested in the IBDA or the IBRAA, as applicable, at that time (the "Morning Bank Sweep"). This will include credit amounts attributed to certain actual or anticipated transactions that would otherwise generate an Intra-day Free Credit Balance on such business day.

The total amount of the Evening Bank Sweep and the Morning Bank Sweep is referred to as your "Cash Balance." In the morning of the business day of the Morning Bank Sweep, your Cash Balance will be deposited at one or more Program Banks. The Program Deposit will earn interest, provided that the accrued interest for a given day is at least half a cent.

IV. INTEREST

A. Interest Rates for Deposit Accounts

The current interest rate for your Deposit Accounts in the IBDA or the IBRAA, as applicable, may be obtained from your LFA financial professional or from LFA's website at www.lfa-sagemark.com under My accounts—Disclosures. Interest on your Program Deposits is accrued daily, compounded monthly, and reflected on your Brokerage Account statement as of the last business day of the statement period. Interest on your Program Deposits begins to accrue on the business day those funds are received by the Program Banks, which will typically be the business day following the day your Brokerage Account reflects a cash balance. Generally, interest will accrue to Deposit Account balances through the business day preceding the date of withdrawal from your Deposit Accounts at the Program Bank (which will typically be the day on which a withdrawal of funds is made from your Brokerage Account). Non-business days occurring between Brokerage Account withdrawal and Deposit Account withdrawal and deposit with a Program Bank will be included in the interest accrual.

Your Program Deposits will earn the same rate of interest regardless of the Program Bank with which your funds are deposited. For the IBDA, the rate of interest paid is tiered based on the value of your Program Deposits ("Eligible Assets") as described in the Interest Rate Tiers. Eligible Assets for the IBDA are currently evaluated on a daily basis. Clients with Eligible Assets of a greater value generally will receive higher interest rates on their Program Deposits in the IBDA than clients with Eligible Assets of a lower value, as described in the Interest Rate Tiers. For the IBRAA, your interest rate is not based on the Interest Rate Tiers but will be a single rate that is based, in part, on our monthly per Brokerage Account fee structure described in the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below. Eligible Assets for the IBRAA are also currently evaluated on a daily basis.

Interest rates, evaluation periods, and Eligible Assets may change at any time and interest rate changes may be based on a number of factors, including, but not limited to, general economic, market, and business conditions; the aggregate amounts paid by the Program Banks, which are typically related to the Federal Funds Target Rate, or "FFT Rate," or a similar rate; the fees that we, NFS, and the Administrator charge in connection with the Programs; and other relevant factors. If you participate in the IBDA, you will receive notification in advance of any changes to the Interest Rate Tiers. If advance notice is not practical due to the circumstances, you will be notified as soon as is reasonably practical. Interest on your Program Deposits will be paid by the Program Banks.

The interest rate that you receive on your Program Deposits will be significantly lower than the interest rates paid by the Program Banks on your Program Deposits due to the fees imposed by LFA, NFS, and the Administrator. The fees that LFA, NFS, and the Administrator set, impose, and receive directly affect and significantly reduce the interest rate payable to you on your Program Deposits (*i.e.*, the higher the fees set, imposed, and received by LFA, NFS, and the Administrator, the lower the interest rate you will receive on your Program Deposits). The interest rate that you will receive on your Program Deposits: (i) will be lower than the rates of return on (a) other core account investment vehicles that NFS makes available and that are not-FDIC insured, such as Money Funds (including the MMKT Overflow Fund), that LFA has not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts, and (b) Money Funds and other investment options that LFA makes available to you for purchase outside of the Programs; and (ii) will in certain circumstances be lower than the rates of return on FDIC insured and other bank account deposits offered outside of the Programs.

Through the Programs, we do not offer the highest interest rates available or interest rates that are comparable to Money Funds or other available investment products. Additionally, the Program Banks have a financial incentive to pay the lowest interest rates that the market will permit. By comparison, Money Funds generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses. See the Money Market Mutual Fund Overflow section above for details on yields for MMKT Overflow Fund balances and contact your LFA financial professional and visit LFA's website at www.lfa-sagemark.com under My accounts—Disclosures for additional information.

When you participate in the IBDA or the IBRAA through a Brokerage Account enrolled in any of LFA's fee-based investment advisory programs, you should understand that you will experience a net negative overall return with respect to your Program Deposits when the interest rate you receive on your Program Deposits is lower than the asset-based investment advisory fees that you pay to LFA in connection with your Program Deposits. For additional information, see the section entitled "Benefits to LFA and Others and LFA's Related Conflicts of Interest" below.

The Programs are not long-term investment options, and you should not view them as such. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your Brokerage Account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, you should contact your LFA financial professional to discuss investment options that are available for you to purchase outside of the Programs, including, but not limited to, Money Funds, that could potentially be better suited to your needs and goals. If you are seeking to maximize the potential return on your investable assets, you should understand that an overly conservative allocation to lower-yielding options like the Programs will result in long-term underperformance. Because we provide you with access to a wide range of investment products, including, but not limited to, Money Funds, to invest cash in your Brokerage Account, to the extent that you maintain Program Deposits in the IBDA or the IBRAA, you agree that receiving interest income is not your primary objective for maintaining such Program Deposits in the IBDA or the IBRAA.

You should compare the terms, interest rates, and other features of the IBDA or the IBRAA, as applicable, with those of other accounts and investment options that are available to you.

B. Interest Credited to Your Deposit Accounts

While interest will generally be credited to your Deposit Accounts at month-end, intra-month interest credits to your Deposit Accounts may occur in the following instances: (i) where you close your Brokerage Account intra-month, (ii) where you make a Program Bank ineligible to receive deposits intra-month, or (iii) where there has been a change to the Program Bank List (or a Program Bank becomes otherwise unavailable) intra-month. Intra-month interest credits will appear on your Brokerage Account statement to reflect interest accrued at that Program Bank through such intra-month event. See the Money Market Mutual Fund Overflow section above for details on yields for MMKT Overflow Fund balances and contact your LFA financial professional and visit LFA's website at www.lfa-sagemark.com under My accounts—Disclosures for additional information.

V. CHANGES

A. Changes to the Program Bank Lists

One or more of the Program Banks included on your Program Bank List for the IBDA or the IBRAA may be removed, and in some cases replaced with a substitute Program Bank. At times, new Program Banks may be added, or the order of the Program Banks on your Program Bank List may be changed. Generally, you will receive notification in advance of any removal of a Program Bank from, or addition of a Program Bank to, your Program Bank List and will have an opportunity to "opt out" of deposits being placed at any new Program Bank. Contact your LFA financial professional to "opt out" of any Program Bank. As previously stated, "opting out" of a Program Bank will increase the likelihood that the total amount of FDIC insurance for which your cash balances will be eligible in the IBDA or the IBRAA will be reduced. If advance notice of a modification to the IBDA or the IBRAA is not practical due to the circumstances, you will be notified as soon as is reasonably practical of any change in the IBDA or the IBRAA that results in the addition of a Program Bank to, or the removal of a Program Bank from, the Program Bank List. Updated Program Bank Lists for the IBDA and the IBRAA may be obtained by contacting your LFA financial professional or by visiting LFA's website at www.lfa-sagemark.com under My accounts—Disclosures, and you should consult with your LFA financial professional for the most up-to-date information about the Program Banks and the priority sequence of Program Banks for your Program Deposits. Other changes to the IBDA or the IBRAA may be posted to LFA's website referenced above, and you should direct any questions you may have to your LFA financial professional. **If you do not agree with any of the changes, you should contact your LFA financial professional to discuss your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).** If you do not take any action in response to a change notice, you are deemed to consent to the change to the IBDA or the IBRAA, as applicable. You are solely responsible for monitoring your FDIC coverage and FDIC insurance eligibility.

B. Limitations on Deposits

The amount of your cash balances awaiting investment that are swept into a Deposit Account will in certain circumstances need to be limited if a Program Bank cannot accept deposits due to exceptional circumstances, if a Program Bank becomes ineligible for the IBDA or the IBRAA, or if a Program Bank determines that it will no longer accept additional deposits, as described in this Disclosure Document, and the Program Bank is not replaced. In such event, funds not swept into a Deposit Account will be invested up to the Maximum Deposit Amount into the next successive Program Bank on your Program Bank List, if possible. Once the Maximum Deposit Amount has been reached in all Program Banks on the Program Bank List that are accepting additional deposits (or if your Deposit Accounts hold Program Deposits that have reached the $2.5 million FDIC coverage limit for individual accounts or $5.0 million FDIC coverage limit for joint accounts), additional funds will be swept into one or more Excess Deposit Banks without limitation and without regard to the Maximum Applicable FDIC Deposit Insurance Amount or, if not available, the MMKT Overflow Fund, as described herein. If advance notice is not practical due to the circumstances, you will be notified as soon as is reasonably practical. See the section entitled “Changes to Your Core Account Investment Vehicle” below for additional information.

C. Changes to Your Core Account Investment Vehicle

From time to time, circumstances such as those described in this Disclosure Document or otherwise may require that we or NFS modify the IBDA or the IBRAA, which may result in changing the core account investment vehicle for your Brokerage Account. If we make any change, there is no guarantee that such change will provide an equal or greater rate of return to you during any given period, and the rate of return may be lower. Generally, you will receive notification in advance of any such change. If advance notice of a modification to the IBDA or the IBRAA is not practical due to the circumstances, you will be notified as soon as is reasonably practical of any change in the IBDA or the IBRAA that results in changing the core account investment vehicle for your Brokerage Account. Unless you object within the time period specified, we will change your core account investment vehicle and, depending on the new vehicle, either transfer the balances from your prior core account investment vehicle into a new core account investment vehicle or leave your balances in your prior core account investment vehicle and withdraw all debits from this vehicle while investing all credits in the new core account investment vehicle. If you object to the new core account investment vehicle that we select, or, if at any time the IBDA or the IBRAA does not meet your needs, including, but not limited to, due to any change in the IBDA or the IBRAA, your LFA financial professional can assist you in understanding your options (*i.e.*, closing your account, transferring your assets to another account type that does not use the IBDA or the IBRAA as its default and only cash sweep option, if possible, or transferring your assets to another financial institution).

If we need to change your core account investment vehicle under the circumstances set forth in this Disclosure Document or for other circumstances as may be necessary, the core account investment vehicle that we choose for you may receive a lower effective rate of return than is available on funds swept into a Deposit Account through the IBDA or the IBRAA. We do not guarantee any rate of return, including a return that is equal to or greater than your current return. We will notify you, as soon as is reasonably practical, if your cash balance is deposited into a core account investment vehicle other than the IBDA or the IBRAA, as applicable, and additionally if you will receive a lower effective rate of return as a result of such change. The Money Market Mutual Fund Overflow process as described above is part of the IBDA and the IBRAA.

D. Notices

All notices described in this Disclosure Document may be made by means of a letter, an entry on or insert with your Brokerage Account statement, or an entry on a trade confirmation or by electronic or other form of notification which may include, but is not limited to, electronic alerts or e-mails. When applicable, notices will provide information regarding the nature of any changes to the IBDA or the IBRAA, identify where and how you can obtain additional information regarding the changes, and any alternatives you have to accepting the changes. By participating in the IBDA or the IBRAA, you agree to carefully review all notices that we or NFS provide to you.

VI. ACCOUNT INFORMATION

A. Statements and Confirmations

The statements for your Brokerage Account will: (i) indicate your Program Deposit at each Program Bank as of the last business day of each monthly statement period (however, if your Brokerage Account was established on the last business day of a month, your statement will not include a bank deposit sweep detail section); (ii) detail sweeps to and from the Deposit Accounts during the statement period; and (iii) reflect interest credited to your Brokerage Account. This information is provided in lieu of separate confirmations for each sweep to and from a Deposit Account during the statement period. Transfers between your MMDA accounts and transaction accounts will not be reflected in your Brokerage Account statements. The monthly per Brokerage Account fee that we charge in connection with the IBRAA will not generally be seen on your Brokerage Account statements due to the manner in which we receive this fee from the amounts paid by the

Program Banks, as described in the section entitled “Benefits to LFA and Others and LFA’s Related Conflicts of Interest” below.

You are solely responsible for monitoring the total amount of deposits that you have with each Program Bank (both through the Programs and outside of the Programs), including any bank accounts, CDs, and other deposits made directly with a Program Bank or through us or any other intermediary, in order to determine the extent of FDIC insurance coverage available to you on your deposits, including Program Deposits, and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance. As a result, you should carefully review your statements to determine the extent of your FDIC insurance coverage and to identify any of your deposits that are not covered by FDIC insurance. See the Money Market Mutual Fund Overflow section above for information on how your MMKT Overflow Fund balance will display on your Brokerage Account statement.

B. Tax Information

For most clients with non-retirement Brokerage Account types, interest earned on Program Deposits in the Deposit Accounts will be taxed as ordinary income in the year it is received. For applicable Brokerage Account types, a Form 1099 will be sent to you by NFS each year showing the amount of aggregate interest income you have earned on deposits in your Deposit Accounts. Interest earned in Deposit Accounts for retirement Brokerage Accounts is generally not taxed until you take a distribution. LFA and its financial professionals do not provide tax advice, and you should consult with your tax advisor about how the IBDA or the IBRAA, as applicable, affects you.

VII. INFORMATION ABOUT YOUR RELATIONSHIP WITH LFA AND THE PROGRAM BANKS, BENEFITS TO LFA AND OTHERS, AND LFA’S RELATED CONFLICTS OF INTEREST

A. Relationship with LFA and the Program Banks

As your agent, NFS is establishing the Deposit Accounts at each Program Bank, depositing funds into the Deposit Accounts, withdrawing funds from Deposit Accounts, and transferring funds between Deposit Accounts. Deposit Account ownership will be evidenced by a book entry on the account records of each Program Bank showing the Deposit Account as an agency account held by NFS for the benefit of you and other clients and by records maintained by NFS as your agent and custodian. No evidence of ownership, such as a passbook or certificate, will be issued to you. Your Brokerage Account statements will reflect the balances in your Deposit Accounts at the Program Banks. You should retain your Brokerage Account statements for your records. Once established on your behalf, the Deposit Accounts are obligations solely of the Program Banks and not of LFA, NFS, or any entity other than the Program Banks. You may at any time obtain information about your Deposit Accounts by contacting your LFA financial professional.

If either you or we terminate your use of the IBDA or the IBRAA as your core account investment vehicle, or if one or more Program Banks with which you have Program Deposits cease to participate in the IBDA or the IBRAA, you may establish a direct depository relationship with each such Program Bank, subject to its rules with respect to maintaining deposit accounts. **Establishing a deposit account directly in your name at a bank will separate such deposit account from your Brokerage Account. If you establish a direct depository relationship with a bank, those deposit accounts will no longer be reflected in your Brokerage Account statements and we and NFS will have no responsibility concerning those directly held deposit accounts.**

B. Benefits to LFA and Others and LFA’s Related Conflicts of Interest

BEFORE CONSENTING TO THE USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, YOU SHOULD CAREFULLY REVIEW THE FOLLOWING DISCLOSURES REGARDING THE SIGNIFICANT FINANCIAL BENEFITS THAT LFA RECEIVES FROM YOUR USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP AND LFA’S RELATED CONFLICTS OF INTEREST. AS EXPLAINED ABOVE, YOU UNDERSTAND AND AGREE THAT BY CONSENTING TO THE USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, YOU ACCEPT AND ARE LEGALLY BOUND BY THE PROVISIONS OF THIS DISCLOSURE DOCUMENT AND CONSENT TO EACH OF LFA’S CONFLICTS OF INTEREST DISCLOSED HEREIN. YOU UNDERSTAND AND AGREE THAT LFA RECEIVES SIGNIFICANT FINANCIAL BENEFITS FROM YOUR USE OF THE IBDA OR THE IBRAA AS YOUR CASH SWEEP, WHICH ARE IN ADDITION TO ANY OTHER FEES YOU PAY OR INCUR, AND THAT THESE FINANCIAL BENEFITS INCENTIVIZE LFA TO MAKE THE IBDA AND THE IBRAA THE DEFAULT AND ONLY CASH SWEEPS AVAILABLE FOR YOUR IBDA-ELIGIBLE BROKERAGE ACCOUNTS AND IBRAA-ELIGIBLE BROKERAGE ACCOUNTS, RESPECTIVELY, RATHER THAN A DIFFERENT CASH SWEEP THAT DOES NOT ENTAIL SUCH FINANCIAL BENEFITS TO LFA OR ENTAILS LESSER FINANCIAL BENEFITS TO LFA, RESULTING IN A CONFLICT OF INTEREST FOR LFA.

Your use of the IBDA or the IBRAA as your cash sweep creates significant financial benefits for us, NFS, and the Administrator, and conflicts of interest for us.

<u>IBDA Fees</u>: In connection with the IBDA, we, NFS, and the Administrator are paid fees by each Program Bank that participates in the IBDA based on a percentage of the average daily cash balances in Deposit Accounts at the Program Bank through the IBDA. These fees are equal to a percentage of all clients' Program Deposits with the Program Banks through the IBDA. Actual amounts will vary, but in no event will the total amount of fees we receive and retain exceed 600 basis points (6.00%) annually across all Deposit Accounts in the IBDA, as determined by the total Program Deposits in the IBDA at all the Program Banks over a 12-month rolling period. We will in certain circumstances earn fees that are higher or lower than that amount from individual Program Banks. We reserve the right to reduce all or a portion of the fees we receive in connection with the IBDA, and the amount of any such reductions may vary among clients.

<u>IBRAA Fees</u>: In connection with the IBRAA, we receive a level monthly fee for each Brokerage Account that participates in the IBRAA. Our monthly per Brokerage Account fee does not vary based on the amount of your Program Deposits in the IBRAA. The amount of our monthly per Brokerage Account fee: (i) will be no less than $0.01 and no more than $30.00; (ii) varies based on the Federal Funds Target Rate, or "FFT Rate," as of the date that is two business days prior to the end of the preceding month; and (iii) will be calculated by the Administrator based on the following fee schedule, which was set by LFA (the "IBRAA Fee Schedule"):

Federal Funds Target Rate (FFT Rate)	LFA's Monthly Per Brokerage Account Fee
Less than or equal to 25 basis points	$0.01
Greater than 25 basis points, but less than or equal to 50 basis points	$0.10
Greater than 50 basis points, but less than or equal to 75 basis points	$1.25
Greater than 75 basis points, but less than or equal to 100 basis points	$2.50
Greater than 100 basis points, but less than or equal to 125 basis points	$3.00
Greater than 125 basis points, but less than or equal to 150 basis points	$3.50
Greater than 150 basis points, but less than or equal to 175 basis points	$4.75
Greater than 175 basis points, but less than or equal to 200 basis points	$5.75
Greater than 200 basis points, but less than or equal to 225 basis points	$6.75
Greater than 225 basis points, but less than or equal to 250 basis points	$8.00
Greater than 250 basis points, but less than or equal to 275 basis points	$9.25
Greater than 275 basis points, but less than or equal to 300 basis points	$10.50
Greater than 300 basis points, but less than or equal to 325 basis points	$11.75
Greater than 325 basis points, but less than or equal to 350 basis points	$13.25
Greater than 350 basis points, but less than or equal to 375 basis points	$14.50
Greater than 375 basis points, but less than or equal to 400 basis points	$16.00
Greater than 400 basis points, but less than or equal to 425 basis points	$17.25
Greater than 425 basis points, but less than or equal to 450 basis points	$18.50
Greater than 450 basis points, but less than or equal to 475 basis points	$19.75

Federal Funds Target Rate (FFT Rate)	LFA's Monthly Per Brokerage Account Fee
Greater than 475 basis points, but less than or equal to 500 basis points	$21.25
Greater than 500 basis points, but less than or equal to 525 basis points	$22.50
Greater than 525 basis points, but less than or equal to 550 basis points	$24.00
Greater than 550 basis points, but less than or equal to 575 basis points	$25.50
Greater than 575 basis points, but less than or equal to 600 basis points	$27.00
Greater than 600 basis points, but less than or equal to 625 bps	$28.50
Greater than 625 bps	$30.00

As described above, the IBRAA Fee Schedule is indexed to the FFT Rate. The FFT Rate used to calculate our monthly per Brokerage Account fee is either a single rate or a range of rates expressed as a percentage (such as 1.00% – 1.25%). If the FFT Rate used to calculate our monthly per Brokerage Account Fee is a range of rates, the FFT Rate used to apply the IBRAA Fee Schedule will be the highest point of that range. The current FFT Rate can be found here: www.federalreserve.gov/monetarypolicy/openmarket.htm. Under the IBRAA Fee Schedule, increases in the FFT Rate will result in increased monthly fees for clients and increased compensation for us. Because our monthly per Brokerage Account fee does not vary based on the amount of clients' Program Deposits in the IBRAA, clients with higher Program Deposits in the IBRAA and clients with lower Program Deposits in the IBRAA will incur the same monthly per Brokerage Account fee. We can change the IBRAA Fee Schedule upon 30 days' advance notice to you. Continued use of your Brokerage Account and the IBRAA after such notice will constitute your consent to such change in the IBRAA Fee Schedule. If you do not consent to any such change in the IBRAA Fee Schedule, please contact your LFA financial professional to discuss your options. If a Brokerage Account is opened or closed during a month, our monthly per Brokerage Account fee will be prorated for the portion of the month during which the Brokerage Account was open.

Although we generally anticipate that the monthly per Brokerage Account fee that we charge in connection with the IBRAA will be offset by the amounts paid by the Program Banks in connection with your Program Deposits in the IBRAA, we reserve the right to withdraw from your Brokerage Account our full monthly per Brokerage Account fee, or any portion thereof, in the event or to the extent that the amounts received from the Program Banks for the month are less than our monthly per Brokerage Account fee specified in the IBRAA Fee Schedule for the same month. Our monthly per Brokerage Account fee will not generally be seen on your Brokerage Account statements due to the manner in which we receive our fee from the amounts paid by the Program Banks, as described above. Our monthly per Brokerage Account fee will be seen on your Brokerage Account statements only if we debit your Brokerage Account for the amount of any shortfall in the monthly per Brokerage Account fee we receive out of the amounts paid by the Program Banks.

NFS and the Administrator will also each charge a monthly fee in connection with the IBRAA. These fees will also be paid from the amounts paid by the Program Banks. NFS's monthly fee will be based on the average daily cash balances in Deposit Accounts at the Program Banks through the IBRAA. The Administrator's fee will also be based on the average daily cash balances in Deposit Accounts at the Program Banks through the IBRAA, but will vary from month to month and be subject to adjustment as described below:

- **For each month, the Administrator's actual fee will be the amount that remains after deducting the interest paid on clients' Program Deposits in the IBRAA, NFS's fee, and the aggregate amount of our monthly per Brokerage Account fees (as described above) from the amounts paid by the Program Banks on Program Deposits in the IBRAA (the "Administrator Actual Fee"). The Administrator Actual Fee will vary from time to time due to changes in the amounts paid by the Program Banks, the interest paid on clients' Program Deposits in the IBRAA, NFS's fee, and the aggregate amount of our monthly per Brokerage Account fees.**
- **The Administrator Actual Fee will be compared to or measured against the Administrator's targeted fee, which is an asset-based fee expressed as a fixed number of basis points on the average daily Program Deposits in the IBRAA (the "Administrator Target Fee"). If, after the end of any month, there is a difference (positive or negative) between the amount of fees actually received by the Administrator and the Administrator Target Fee, the interest rate to be paid to clients participating in the IBRAA will be adjusted, effective the next month, for the purpose of bringing the aggregate amount of fees actually received by**

the Administrator from all accounts in the IBRAA back into line with the Administrator Target Fee. The adjustment is intended to result in the Administrator's compensation over time closely approximating or equaling the Administrator Target Fee; however, you should understand that the Administrator's actual fees will vary from month to month.

Accordingly, the Administrator generally will, from month to month, collect more or less than the Administrator Target Fee. For example, if the amount paid by the Program Banks during a month exceeds the sum of the applicable interest rate disclosed and payable to clients participating in the IBRAA, NFS's fee, the aggregate amount of our monthly per Brokerage Account fees for the month, and the Administrator Target Fee, the Administrator Actual Fee for that month will be more than the Administrator Target Fee. In contrast, if the Administrator Actual Fee for a month is lower than the Administrator Target Fee, the Administrator will be entitled to increased fees in future periods (which will be funded by reducing the applicable interest rate payable to clients participating in the IBRAA) to recover the difference. The IBRAA is designed so that, over time, the Administrator's total aggregate compensation in connection with the IBRAA will align with the Administrator Target Fee.

<u>Disclosures Applicable to Both the IBDA and the IBRAA</u>: In connection with their participation in the IBDA or the IBRAA, the Program Banks pay higher interest rates than the interest rate you will receive on your Program Deposits. The amount of the fees paid to us, NFS, and the Administrator will directly affect and significantly reduce the interest rate you are paid on your Program Deposits, because the fees we, NFS, and the Administrator receive significantly reduce the amount of interest paid by the Program Banks that is available to be paid to you on your Program Deposits. In connection with the IBDA, we retain the difference between the interest paid by the Program Banks and the interest you receive, after the fees due to NFS and the Administrator are paid. We refer to this differential between the interest paid by the Program Banks and the interest you receive as the "fees" that we, NFS, and the Administrator receive in connection with the IBDA. In connection with the IBRAA, we receive a level monthly fee for each Brokerage Account that participates in the IBRAA, as described above. We set the fees that we charge in connection with the Programs. This discretion creates a conflict between our interests and your interests because our determination of our share of the interest paid by the Program Banks that we retain as compensation directly affects and significantly reduces the interest you earn on your Program Deposits. The higher the compensation paid to LFA, the lower the interest paid to you; the lower the compensation paid to LFA, the higher the interest paid to you. With limited exception, we will retain a substantially greater share of the interest received from the Program Banks as compensation in connection with your Program Deposits than what is credited to you. Additionally, with limited exception, we will retain a substantially greater share of the interest received from the Program Banks as compensation in connection with your Program Deposits than what is paid to NFS and the Administrator. The fees paid to us, NFS, and the Administrator will have a greater impact on the interest rate that you receive than the amount of interest paid by each Program Bank. The fees charged by LFA are not based on LFA's costs in connection with maintaining the Programs and are in addition to other compensation received by LFA and your LFA financial professional with respect to your Brokerage Account. The fees that we receive in connection with the Programs are higher than the compensation that we would receive in connection with other core account investment vehicles that NFS makes available, including Money Funds, that we have not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts. NFS also receives revenue from your and other clients' cash balances held in the Money Market Mutual Fund Overflow.

Clients participating in the IBDA or the IBRAA through Brokerage Accounts enrolled in any of LFA's fee-based investment advisory programs should understand that LFA receives significant fees from the Program Banks as a result of clients' Program Deposits and that these fees are in addition to the asset-based investment advisory fees that investment advisory clients directly pay to LFA in connection with their Program Deposits. As described in greater detail in LFA's client service agreements and applicable Forms ADV Part 2A, LFA charges investment advisory clients asset-based investment advisory fees based on the total market value of their assets under management, including, but not limited to, their Program Deposits. As a result, LFA receives two layers of fees on investment advisory clients' Program Deposits when they participate in the IBDA or the IBRAA through Brokerage Accounts enrolled in any of LFA's fee-based investment advisory programs (*i.e.*, asset-based investment advisory fees and fees from the Program Banks). When the interest rate that investment advisory clients receive on their Program Deposits is lower than the asset-based investment advisory fees that they pay LFA in connection with their Program Deposits, investment advisory clients will experience net negative overall returns with respect to their Program Deposits. When evaluating the appropriateness of LFA's asset-based investment advisory fees, investment advisory clients should consider the fees that LFA receives from the Program Banks in connection with the Programs. Additionally, investment advisory clients participating in the IBDA or the IBRAA should understand that many third-party money managers, asset allocation providers, and model portfolio providers whose strategies are available through LFA's fee-based investment advisory programs require clients to hold a minimum cash allocation (*e.g.*, two or more percent of their portfolio in

cash) and that these minimum cash allocations will be swept to the IBDA or the IBRAA, as applicable.

The fees that LFA receives from the Program Banks in connection with clients' Program Deposits are a significant source of revenue and profit for LFA and present conflicts of interest for LFA. In particular, LFA has conflicts of interest in connection with the Programs given its financial incentive to: (i) exercise its discretion to set the fees that it charges in connection with clients' Program Deposits (and therefore, the revenue that it receives) at high levels, which will directly affect and significantly reduce the interest rate payable to clients (*i.e.*, the higher the fees set, imposed, and received by LFA, the lower the interest rate payable to clients on their Program Deposits); (ii) exercise its discretion to select the IBDA and the IBRAA as the default and only core account investment vehicles, or "cash sweeps," that are available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively, rather than other cash sweeps made available by NFS that would generate relatively lower or no revenue for LFA and provide higher yields or returns to clients; (iii) recommend or advise that all IBDA-eligible and IBRAA-eligible Brokerage Account holders use the IBDA and the IBRAA, respectively, as their cash sweep, rather than closing their accounts, transferring their assets to other account types that do not use the IBDA or the IBRAA as their default and only cash sweep option, if possible, or transferring their assets to other financial institutions; (iv) recommend or advise that all IBDA-eligible and IBRAA-eligible Brokerage Account holders increase their Program Deposits, including by recommending or advising that they make cash deposits, sell securities, and take other actions that generate cash balances in their Brokerage Accounts that will be swept to the IBDA or the IBRAA, as applicable; (v) recommend or advise that all IBDA-eligible and IBRAA-eligible Brokerage Account holders hold high levels of Program Deposits for extended periods of time, rather than taking other available actions such as withdrawing cash from their accounts or purchasing Money Funds or other investment options that are available for clients to purchase outside of the Programs (which would generate relatively lower or no revenue for LFA and provide higher yields or returns to clients); (vi) recommend or advise that all IBDA-eligible and IBRAA-eligible investment advisory clients use the IBDA and the IBRAA, respectively, as their core account investment vehicle (rather than closing their accounts, transferring their assets to other account types that do not use the IBDA or the IBRAA as their default and only cash sweep option, if possible, or transferring their assets to other financial institutions), increase their Program Deposits, and hold high levels of Program Deposits for extended periods of time, which allows LFA to receive fees from the Program Banks in addition to asset-based investment advisory fees on investment advisory clients' Program Deposits; (vii) include Program Banks that pay the highest interest rates on the Program Bank List, rather than other Program Banks that pay relatively lower interest rates, which will increase LFA's fees in connection with the IBDA and support LFA's monthly per Brokerage Account fee in connection with the IBRAA; (viii) recommend or advise that clients invest through IBDA-eligible and IBRAA-eligible Brokerage Accounts, rather than through other account types that LFA makes available but that do not participate in the Programs (including, but not limited to, accounts for which LFA does not serve as broker-dealer of record, accounts held directly with third-party product sponsors, accounts in the third-party asset management programs that LFA makes available to clients, and accounts that are not eligible to participate in the Programs as described in the section entitled "Bank Sweep Program Eligibility" above); (ix) recommend or advise that clients invest through IBDA-eligible and IBRAA-eligible Brokerage Accounts that can hold the highest amount of cash, rather than other available accounts that limit the amount of cash that can be held (*i.e.*, commission-based Brokerage Accounts can generally hold an unlimited amount of cash, while Brokerage Accounts enrolled in LFA's fee-based investment advisory programs are generally subject to cash concentration limits and will in certain circumstances have defined cash allocations set by third-party money managers, asset allocation providers, or model providers as described above); (x) recommend or advise that clients invest through Brokerage Account types that will cause LFA to receive the highest compensation on their Program Deposits (*i.e.,* recommend or advise that clients invest through either IBDA-eligible Brokerage Accounts or IBRAA-eligible Brokerage Accounts based on which Program will cause LFA to receive the highest compensation in connection with clients' Program Deposits); and (xi) recommend itself as the broker-dealer of record and NFS as the custodian for clients' accounts, rather than other available broker-dealers and custodians, which allows LFA to access the Programs and receive fees in connection with clients' use of the Programs as their cash sweep.

The fees LFA charges in connection with the Programs will in certain cases be higher than the fees charged by other firms that provide similar account-type services regarding cash sweeps. The interest rate your Program Deposits earn will in certain cases be lower than interest rates available to depositors making deposits directly with the same bank or with other depository institutions. Banks do not have a duty to provide the highest rates available in the market and may instead seek to pay a low rate. Lower rates are more financially beneficial to a bank. There is no necessary linkage between the rate of interest on clients' Program Deposits and other rates available in the market, including, but not limited to, Money Fund rates.

Program Deposits will pay a significantly lower interest rate to you than other available cash equivalent

products, including, but not limited to, Money Funds, that your financial professional can recommend or select in investing other portions of your Brokerage Account. This presents a conflict of interest for LFA because LFA will receive significantly greater compensation on your Program Deposits than it would on equivalent amounts of your cash invested in other available investments that can be purchased and held in other portions of your Brokerage Account. This conflict of interest influences LFA to make the IBDA and the IBRAA the default and only core account investment vehicles, or "cash sweeps," available for use by IBDA-eligible Brokerage Accounts and IBRAA-eligible Brokerage Accounts, respectively.

For detailed information regarding the fees that LFA receives from the Program Banks as a result of clients' use of the IBDA or the IBRAA as their cash sweep, as well as LFA's related conflicts of interest, you should carefully review this Disclosure Document and LFA's Compensation and Conflict of Interest Disclosure, Interest Rate Schedule, Form CRS, Regulation Best Interest Disclosure Document (if you are a commission-based broker-dealer client of LFA), and applicable Forms ADV Part 2A (if you are a fee-based investment advisory client of LFA), all of which are available at www.lfa-sagemark.com under My accounts—Disclosures. If you have any questions about the fees that LFA receives in connection with the Programs, how those and other applicable fees reduce the interest rate you receive on your Program Deposits, or LFA's related conflicts of interest, please contact your LFA financial professional.

The fee paid to NFS is for record keeping and other services with respect to clients' Program Deposits in the Programs. Both we and NFS will receive significantly more revenue with respect to amounts in the Programs than with respect to other cash sweep products that NFS makes available and that we have not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts. The fees received from Program Banks can be modified by LFA and NFS. From time to time, if the maximum fee amounts as described above increase, you will receive notification of any such change. In addition to these fees, other service providers with respect to the Programs will in certain circumstances receive fees from us, NFS, and each Program Bank. NFS also receives revenue from your and other clients' cash balances held in the Money Market Mutual Fund Overflow.

Your Brokerage Account will continue to be charged for all fees and expenses that apply to brokerage and securities accounts maintained by us, including, but not limited to, applicable fees reflected in LFA's Fee and Commission Schedule for Accounts Held with NFS, which is available on LFA's website at www.lfa-sagemark.com under My accounts—Cost, and applicable internal investment product expenses (*e.g.*, 12b-1 fees on Money Funds and other mutual funds), where applicable.

To the extent that you consent to the use of the IBDA or the IBRAA as your cash sweep, you (i) acknowledge that you have received, read, and carefully considered the information in this Disclosure Document and at www.lfa-sagemark.com under My accounts—Disclosures, including, but not limited to, the information regarding interest rates, FDIC insurance coverage and its limitations, the financial benefits that LFA, NFS, and the Administrator receive as a result of your use of the IBDA or the IBRAA as your cash sweep, and LFA's related conflicts of interest arising from its receipt of such financial benefits; (ii) agree to the provisions of this Disclosure Document, including, but not limited to, each of LFA's conflicts of interest described herein; and (iii) acknowledge that you have addressed any questions you may have regarding this Disclosure Document, the information available on LFA's website at www.lfa-sagemark.com under My accounts—Disclosures, and the Programs with your LFA financial professional. Additionally, to the extent that you consent to the use of the IBDA or the IBRAA as your cash sweep for an IRA or other retirement account, you acknowledge and agree that (i) you (or another responsible plan fiduciary that is independent from LFA) have independently determined that participating in the IBDA or the IBRAA is reasonable and in the best interest of the IRA or other retirement account and (ii) the IRA or other retirement account will pay no more than reasonable and adequate fees and compensation in connection with the IRA's or other retirement account's participation in the IBDA or the IBRAA.

The Program Banks use Program Deposits to fund current and new lending and for investment activities. The Program Banks earn net income from the difference between the interest they pay on Program Deposits plus the fees paid to us, NFS, and the Administrator and the income they earn on loans, investments, and other assets. As noted above, the Program Banks can pay rates of interest on Program Deposits that are lower than prevailing market interest rates that they would otherwise pay on accounts opened directly with such Program Banks. Lower payment rates are more financially beneficial to a Program Bank. There is no necessary linkage between bank rates of interest and the highest interest rates available in the market, including, but not limited to, any Money Fund rates of return. By comparison, a Money Fund generally seeks to achieve the highest rate of return (less fees and expenses) consistent with the Money Fund's investment objective, which can be found in the Money Fund's prospectus.

The revenue that we and NFS receive from the Program Banks in connection with the Programs will be

significantly greater than revenues we and NFS would receive from (i) certain sweep options (*e.g.*, Money Funds) that are available at other brokerage firms and (ii) other cash sweeps that NFS makes available and that we have used in the past or may consider using in the future.

As a result of the significant fees and benefits described above, the Programs are significantly more profitable to us and NFS than other sweep options that NFS makes available but that we have not selected as the default and only cash sweep for IBDA-eligible and IBRAA-eligible Brokerage Accounts. We and NFS will also financially benefit from the possession and temporary investment of your cash balances prior to the deposit of such balances in the IBDA or the IBRAA.

C. Sharing of Your Information with Program Banks

We and NFS will in certain circumstances provide the Program Banks and their regulators (including, but not limited to, the FDIC) with information related to clients and any individual authorized by a client to trade in their Brokerage Account that is participating in the IBDA or the IBRAA ("Authorized Individual") pursuant to the agreement between NFS and the Program Banks. If provided, the information could consist of the name, address (including city, state, postal code, and, if applicable, foreign country), date of birth, either Social Security number or taxpayer identification number, and any other information as necessary or requested by the Program Banks and/or their regulators (including, but not limited to, the FDIC). By consenting to the use of the IBDA or the IBRAA as your cash sweep, you consent to us and NFS making any such necessary disclosures to the Program Banks and their regulators.

D. Questions/Comments Regarding the Programs

If you have any questions regarding this Disclosure Document, the information available on LFA's website at www.lfa-sagemark.com under My accounts—Disclosures, or the Programs, please contact your LFA financial professional. You may contact your LFA financial professional to determine the current interest rate on Deposit Accounts in the IBDA and the IBRAA (including for each Interest Rate Tier in the IBDA) and the yield on the MMKT Overflow Fund, or you may access such information on LFA's website at www.lfa-sagemark.com under My accounts—Disclosures. For the current yields for Money Funds and other investment products that are available for you to purchase outside of the Programs, contact your LFA financial professional. If there is any conflict between the descriptions in this Disclosure Document and the terms of your Other Agreements, this Disclosure Document will control with respect to the subject matter hereof.

VIII. FDIC/SIPC COVERAGE[1]

A. Deposit Insurance

The Maximum Applicable FDIC Deposit Insurance Amount is $250,000 per depositor, per insurable capacity in any Program Bank. The Deposit Accounts are eligible for insurance by the FDIC, an independent agency of the U.S. government, up to a maximum amount of $250,000 (including principal and accrued interest) when aggregated with all other deposits (both through the Programs and outside of the Programs), including other bank accounts, CDs, and deposits held through us and other intermediaries, held by you in the same insurable capacity at a Program Bank (*e.g.*, corporate, individual, joint, etc.) and $250,000 for IRAs. In each case, such FDIC insurance may be insured for such greater or lesser amount as may be approved by the FDIC from time to time. Your funds become eligible for FDIC deposit insurance immediately when a Program Bank accepts your deposits into Deposit Accounts. **To the extent that your deposits at a Program Bank that are in one ownership capacity, both through the Programs and outside of the Programs, including other bank accounts, CDs, and deposits held through us and other intermediaries, exceed the FDIC insurance limits applicable to that ownership capacity, deposits in excess of the limits will not be insured by the FDIC and will be at risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC.**

In the event a Program Bank fails, the Deposit Accounts at that Program Bank are insured up to the $250,000 limit, or such other applicable limit, as applicable, for principal and interest accrued to the day the Program Bank is closed. Neither LFA nor NFS is responsible for any insured or uninsured portion of a Deposit Account. All funds that are not insured by the FDIC are at a risk of complete loss in the event of a Program Bank failure. Program Deposits are not covered by SIPC. You are solely responsible for monitoring the total amount of deposits that you have with each Program Bank, both through the Programs and outside of the Programs, in order to determine the extent of FDIC deposit insurance coverage available to you and to identify any of your deposits, including Program Deposits, that are not covered by FDIC insurance. Depending on the amount of deposits that you have at a Program Bank apart from the Deposit Accounts, you may wish to direct that one or more Program Banks on your Program Bank List be excluded from holding your Program Deposits. To exclude one or more Program Banks on your Program Bank List from holding your Program Deposits, please contact your LFA financial professional.

Under certain circumstances, if you become the owner of deposits at a Program Bank because another depositor dies, beginning six months after the death of the depositor the FDIC will aggregate those deposits for purposes of the $250,000 limit or such other applicable limit, as applicable, with any other deposits, including bank accounts, CDs, and deposits held through us and other intermediaries, that you own in the same insurable capacity at the Program Bank. Subject to Program limits, examples of accounts that may be subject to this FDIC policy include joint accounts and certain trust accounts, including transfer upon or payable on death accounts. The FDIC provides the six-month "grace period" to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

If federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you through NFS. There is no specific time period during which the FDIC must make insurance payments available and therefore you will not have access to your funds during this time. Furthermore, you will in certain circumstances be required to provide certain documentation to the FDIC and NFS before insurance payments are made. For example, if you hold deposits as trustee or in other fiduciary capacities for beneficiaries, you will be required to furnish affidavits and provide indemnities regarding an insurance payment in certain circumstances.

If your Deposit Accounts or other deposits, including bank accounts, CDs, and deposits held through us and other intermediaries, at the Program Banks are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquiror until (i) the maturity date of the CDs or other time deposits which were assumed or (ii) with respect to deposits that are not time deposits, the expiration of a six month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits, including other bank accounts, CDs, and deposits held through us and other intermediaries, with the acquiror held in the same capacity for purposes of federal deposit insurance. Any deposit account opened at the acquiror after the acquisition will be aggregated with deposits established with the acquiror for purposes of federal deposit insurance.

The application of a $250,000 federal deposit insurance limitation is illustrated by several common factual situations discussed below.

B. <u>Information on Deposit Insurance for Specific Types of Accounts</u>

Individual Customer and Agency Accounts. Funds owned by an individual and held in an account in the name of the individual or an agent or nominee of such individual (such as the Deposit Accounts held through NFS) are not treated as owned by the agent or nominee, but are added to other deposits of such individual held in the same capacity (including funds held in a sole proprietorship) and are insured up to $250,000 in the aggregate. Refer to the "Maximum Deposit Amount" and "Bank Sweep Program Limitations" sections within Section II.B "How the Programs Work; Sweep to Program Banks" for limitations specific to the Programs.

Custodial Accounts. Funds in accounts held by a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the custodian but are added to other deposits of the minor or other beneficiary held in the same insurable capacity and are insured up to $250,000 in the aggregate. Refer to the "Maximum Deposit Amount" and "Bank Sweep Program Limitations" sections within Section II.B "How the Programs Work; Sweep to Program Banks" for limitations specific to the Programs.

Joint Accounts. An individual's interest in funds in all qualified accounts held under any form of joint ownership valid under applicable state law may be insured up to $250,000 in the aggregate, separately and in addition to the $250,000 allowed on other deposits individually owned by any of the co-owners of such accounts (hereinafter referred to as a "Joint Account"). For example, a Joint Account owned by two persons would be eligible for insurance coverage of up to $500,000 ($250,000 for each person), subject to aggregation with each owner's interests in other Joint Accounts at the same depository institution. **Joint Accounts will be "qualified" and insured separately from individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners. Nonqualified joint accounts are not insured separately and are added to individual accounts for the purposes of the individual maximum coverage of $250,000 in the aggregate per Program Bank.** Refer to the "Maximum Deposit Amount" and "Bank Sweep Program Limitations" sections within Section II.B "How the Programs Work; Sweep to Program Banks" for limitations specific to the Programs.

Irrevocable Trust Accounts. Funds in an account established pursuant to one or more irrevocable trust agreements created by the same grantor (as determined under applicable state law) will be insured for up to $250,000 for the interest of each beneficiary provided that the beneficiary's interest in the account is non-contingent (*i.e.*, capable of determination without evaluation of contingencies). The deposit insurance of each beneficiary's interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee, or other beneficiaries. The interest of a beneficiary in irrevocable trust accounts at a depository institution created by the same grantor will be aggregated and insured up to $250,000. Refer to the "Maximum Deposit Amount" and "Bank Sweep Program Limitations" sections within Section II. B "How the Programs Work; Sweep to Program Banks" for limitations specific to the Programs.

Revocable Trust Accounts. Revocable trusts include informal revocable trust accounts where the owner has designated the names of beneficiaries to whom the funds in the account will pass upon the owner's death (referred to as transfer upon or payable on death accounts ("POD Accounts")) and formal revocable trusts usually established for estate planning purposes (referred to as living or family trusts). Revocable trusts will be insured as to each named beneficiary separately from another account of the owner or the beneficiary, and for POD Accounts, NFS's account records disclose the names of all trust beneficiaries. For each trust owner with combined revocable trust account deposits of $1.25 million or less at a Program Bank, the maximum coverage will be determined by multiplying the number of different beneficiaries by $250,000. If an owner has in excess of combined revocable trust account deposits of $1.25 million at a Program Bank and has named more than five beneficiaries there is a limitation on the maximum coverage. Refer to the "Maximum Deposit Amount" and "Bank Sweep Program Limitations" sections within Section II.B "How the Programs Work; Sweep to Program Banks" for limitations specific to the Programs.

Individual Retirement Accounts. IRAs as described in Code Sections 408(a) and 408A are insured up to $250,000 per depositor. Each person's deposits in self-directed retirement accounts at the same Program Bank are added together and insured up to $250,000, separately from any retirement accounts that are not self-directed and any non-retirement accounts. Refer to the "Maximum Deposit Amount" and "Bank Sweep Program Limitations" sections within Section II.B "How the Programs Work; Sweep to Program Banks" for limitations specific to the Programs.

Business (Corporation, Partnership, and Unincorporated Association) Accounts. Funds in accounts of business organizations, including corporations, partnerships, and unincorporated associations (including for-profit and not-for-profit organizations), are added together and insured up to $250,000 in the aggregate. Such deposits are insured separately from the personal deposits of the organization's owners, stockholders, partners, or members. To qualify for insurance coverage under this ownership category, a corporation, partnership, or unincorporated association must be engaged in an "independent activity," meaning that the entity is operated primarily for some purpose other than to increase deposit insurance coverage. All deposits owned by a corporation, partnership, or unincorporated association at the same Program Bank are combined and insured up to $250,000. Multiple accounts owned by the same corporation, partnership, or unincorporated association (including accounts owned by operating divisions or business units that are not separately incorporated) but designated for different purposes are not separately insured. For example, if a corporation has both an operating account and a reserve account at the same Program Bank, the FDIC will add both accounts together and insure the aggregated deposits up to $250,000.

C. Questions about FDIC Deposit Insurance Coverage

If you have questions about FDIC insurance coverage, contact your LFA financial professional. You are encouraged to seek advice from your attorney or tax advisor concerning FDIC insurance coverage of deposits held in more than one capacity. You may also obtain information by contacting the FDIC, Deposit Insurance Outreach, Division of Supervision and Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 (TDD)), by visiting the FDIC website at www.fdic.gov/deposit/index.html, or by e-mail using the FDIC's On-line Customer Assistance Form available on its website.

D. SIPC Coverage

Your cash balance awaiting investment is only eligible for FDIC insurance once it becomes a Program Deposit held by a Program Bank. Your cash balance while held by NFS or LFA is not FDIC insured but is covered by SIPC up to applicable SIPC limits. This includes cash balances placed in your Brokerage Account that have not yet been received by the Program Banks or which have been swept from the Program Banks back to your Brokerage Account. Any balance held in the MMKT Overflow Fund also is covered by SIPC, up to applicable SIPC limits. SIPC currently protects funds and securities in your Brokerage Account up to $500,000, including up to $250,000 for claims for cash. SIPC coverage does not cover fluctuations in the market value of your investments. Any securities held in your Brokerage Account (as opposed to Program Deposits held by a Program Bank) are investment products and, as such: (i) are not insured by the FDIC; (ii) carry no bank or government guarantees; and (iii) are subject to investment risk, including loss of principal amount invested.

If, due to Program limitations, your cash balance is placed into a core account investment vehicle other than the IBDA or the IBRAA that does not provide FDIC insurance coverage (*e.g.*, a Money Fund), your cash balance will not be eligible for FDIC insurance but will be protected by SIPC in accordance with applicable legal requirements and limitations when held in your Brokerage Account.

SIPC is a non-profit membership corporation created by the Securities Investor Protection Act of 1970, funded primarily by its member securities brokerage firms registered with the U.S. Securities and Exchange Commission. SIPC provides protection against custodial risk to clients of securities brokerage firms, like NFS, in the event such firms become insolvent. SIPC does not insure against the loss of your investment, nor does SIPC protection ensure the quality of investments or protect against declines or fluctuations in the value of your investments. SIPC protects each client's securities and cash held in a client's Brokerage Account at an insolvent brokerage firm. SIPC protects against the loss of customer securities and cash up to a total of $500,000 (of which up to $250,000 may be cash) per customer in each separate capacity under

SIPC rules. Money Fund shares are securities for purposes of SIPC coverage. The Deposit Accounts are not eligible for SIPC coverage. In addition to SIPC protection, NFS provides additional “excess of SIPC” coverage through private insurance companies. The excess of SIPC coverage will be used only when SIPC coverage is exhausted. Like SIPC protection, excess of SIPC protection does not cover investment losses in client accounts due to market fluctuation. It also does not cover other claims for losses incurred while NFS remains in business. Total aggregate excess of SIPC coverage available through NFS’s excess of SIPC policy is $1 billion. Within NFS’s excess of SIPC coverage, there is no per-customer dollar limit on securities coverage, but there is a per-customer limit of $1.9 million on coverage of cash awaiting investment, subject to the $1 billion cap across all client accounts. When reached, these coverage limits will limit the excess of SIPC coverage available to clients. The coverage limits under NFS’s excess of SIPC insurance policies are subject to change in the future and NFS may cease offering excess of SIPC coverage in the future. If you have questions about SIPC coverage or excess of SIPC coverage, contact your LFA financial professional. You may also obtain information about SIPC coverage, including a brochure that describes SIPC and SIPC insurance, by accessing the SIPC website at www.sipc.org.

[1] The information contained in this section regarding FDIC deposit insurance and the applicable limits is subject to the limitations described throughout this Disclosure Document and as specifically noted in the sections entitled “Maximum Deposit Amount” and “Bank Sweep Program Limitations” under Section II.B. “How the Programs Work; Sweep to Program Banks” of this Disclosure Document.