

## Mutual Fund Products and Accounts

Lincoln Financial Advisors Corporation (“LFA”) offers clients access to a broad selection of mutual funds from various mutual fund families as well as mutual fund accounts from various third-party sponsors. Many of the mutual fund families and third-party sponsors whose mutual funds and mutual fund accounts are available through LFA directly compensate LFA for marketing their mutual funds and mutual fund accounts. Additionally, LFA receives various revenue streams from its custodian and clearing firm, National Financial Services LLC (“NFS”), including, but not limited to, a share of certain revenues NFS receives from mutual fund families that are available through NFS’s no transaction fee (“NTF”) and transaction fee (“TF”) mutual fund programs. LFA’s receipt of this compensation presents a conflict of interest for LFA given LFA’s financial incentive to make the mutual fund families, mutual funds, and mutual fund accounts that make these payments to LFA available on LFA’s investment platform and to recommend that you use mutual fund families, mutual funds, and mutual fund accounts that make the highest rate and amount of these payments to LFA, rather than other available mutual fund families, mutual funds, and mutual fund accounts that make relatively lower or no payments to LFA. LFA is providing you with this marketing support disclosure so that you are informed about our various conflicts of interest associated with our mutual fund family, mutual fund, and mutual fund account offerings and recommendations. We encourage you to contact us or your LFA financial professional with any questions you may have regarding these arrangements, and LFA’s related conflicts of interest, before investing in any mutual funds or mutual fund accounts through LFA.

### ***LFA’s Direct Marketing Support Arrangements with Mutual Fund Families and Third-Party Sponsors***

LFA receives additional compensation, sometimes called “marketing support,” directly from many mutual fund families and third-party sponsors whose mutual funds and mutual fund accounts are available through LFA. Mutual fund families and third-party sponsors make these payments to LFA out of their or their affiliates’ assets, not from the assets of any mutual fund or mutual fund account available through LFA. Therefore, these marketing support payments will not appear as a fee or expense deducted from your account, or as an item in the expense table disclosure for any mutual fund available on LFA’s investment platform. The method, timing, rate, and amount of these marketing support payments vary by mutual fund family, third-party sponsor, mutual fund, share class, asset class, investment strategy, and account, but marketing support payments typically are paid using one or more of the following methodologies: payment of a percentage of each sale; payment of an annual fee based on a percentage of total LFA client assets held with the mutual fund family or third-party sponsor; and/or payment of a flat annual fee. Payment rates and amounts vary by mutual fund family and third-party sponsor, but mutual fund families and third-party sponsors generally pay LFA: up to 0.20% of the gross amount of each sale; up to 0.15% annually of total LFA client assets held with the mutual fund family or third-party sponsor; and/or flat annual fees that do not exceed \$400,000 annually. Accordingly, with respect to arrangements where payments are based on a percentage of each sale or total LFA client

assets held with the mutual fund family or third-party sponsor, the payments LFA receives will increase with the amount of client assets placed with the mutual fund family or third-party sponsor.

These marketing support payments subsidize the cost of educational programs and marketing activities that are designed to help facilitate the utilization of these mutual fund families' and third-party sponsors' mutual funds and mutual fund accounts and to make our financial professionals more knowledgeable about their mutual funds and mutual fund accounts. In addition, these payments allow these mutual fund families' and third-party sponsors' representatives to attend and participate in LFA conferences where financial professionals are present, one-on-one marketing meetings, and due diligence presentations.

The mutual fund families and third-party sponsors with which LFA has direct marketing support arrangements are:

Aberdeen	Delaware Funds	MFS Funds
Alger Funds	Eventide Asset Management	Nuveen
Alliance Bernstein	Federated Hermes	PIMCO
American Beacon	Fidelity Advisor Funds	Russell Investments
American Century	Franklin Templeton	Sammons Financial*
American Funds	FS Investments	Stadion Money Management
Amundi Pioneer	Goldman Sachs	Thrivent Funds
Aristotle Funds	Hartford Funds	Victory Capital Management
BlackRock Funds	JP Morgan Funds	Voya**
Calamos Funds	LoCorr Funds	
Columbia Threadneedle	Lord, Abbett & Co.	

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\* LFA receives marketing support payments from Sammons Financial based on total LFA client assets in the LiveWell Mutual Fund Individual Retirement Account offerings.

\*\* In addition to marketing support payments that LFA receives in connection with the Voya mutual funds, LFA receives marketing support payments from Voya based on total LFA client assets in the Voya Select Advantage Individual Retirement Account offerings.

You should be aware that there are mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts available through LFA that do not pay LFA any marketing support payments and therefore are generally less expensive for you than mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that do make such payments to LFA.

The marketing support payments that LFA receives from the above mutual fund families and third-party sponsors create financial incentives for LFA that result in conflicts of interest for LFA. In particular, LFA has a conflict of interest given its financial incentive to make the mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that make marketing support payments to LFA available on LFA's investment platform and to recommend that you use mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund

accounts that make such payments to LFA, rather than other available mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that do not make such payments to LFA. In addition, LFA has a conflict of interest given its financial incentive to include the mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that make the highest rate and amount of marketing support payments to LFA on LFA's investment platform and to recommend that you use those mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts, rather than other available mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that make relatively lower or no marketing support payments to LFA. Additionally, certain mutual fund families and third-party sponsors make marketing support payments to LFA only in connection with certain mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts (and not others that are available), and certain mutual fund families and third-party sponsors pay LFA more or less marketing support depending on the particular mutual fund, share class, asset class, investment strategy, or mutual fund account used. Given these facts, LFA has a conflict of interest given its financial incentive to recommend that you use the mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that generate the highest rate and amount of marketing support payments to LFA, rather than other available mutual funds, share classes, assets classes, investment strategies, and mutual fund accounts that generate relatively lower or no marketing support payments to LFA. LFA addresses these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any marketing support payments with the LFA financial professionals that recommend mutual fund families, mutual funds, share classes, asset classes, investment strategies, or mutual fund accounts for you; and (iii) supervising LFA financial professionals' recommendations to evaluate whether they are suitable for you and in your best interest.

#### ***Other Marketing Support from Mutual Fund Families and Third-Party Sponsors***

In addition to the marketing support payments that LFA receives through the formal marketing support arrangements described above, mutual fund families and third-party sponsors, including, but not limited to, those that have formal marketing support arrangements with LFA, make flat dollar payments to LFA from time to time. These payments are made for specific activities, including, but not limited to, exhibit booth space, presentation opportunities at LFA meetings or similar events, attendance at conferences, educational events for LFA financial professionals, and participation in other training and educational events. Some mutual fund families and third-party sponsors also reimburse LFA and, indirectly, its financial professionals for certain expenses in connection with due diligence meetings, training and educational events, seminars that offer educational opportunities for clients, and similar events. Some mutual fund families and third-party sponsors also provide LFA and its financial professionals with nominal gifts and gratuities, including, but not limited to, merchandise bearing the brand or logo of the mutual fund family or third-party sponsor. For similar reasons as those noted above, these arrangements create financial incentives for LFA that result in conflicts of interest for LFA. LFA addresses these conflicts of interest by adopting measures similar to those noted above and also by requiring every mutual fund family and third-party sponsor, whether or not providing marketing support to LFA through a formal or informal arrangement, including their wholesalers, employees, and agents, to comply with LFA's non-cash compensation policies as they relate to additional payments and

compensation, including, but not limited to, marketing support. Mutual fund families and third-party sponsors must also provide documents or other information to evidence compliance with these policies upon request.

### ***LFA's Arrangements with its Custodian and Clearing Firm, NFS***

LFA's custodian and clearing firm, NFS, offers an NTF mutual fund program that includes a broad selection of NTF mutual funds. Participating mutual fund families pay NFS a fee to have their NTF mutual funds included in NFS's NTF mutual fund program, and NFS shares a portion of these fees with LFA. LFA receives up to 0.25% annually of total LFA client assets invested in NTF mutual funds participating in NFS's NTF mutual fund program through commission-based brokerage accounts held with NFS. NFS also offers a TF mutual fund program. Participating mutual fund families pay NFS a fee to have their TF mutual funds included in NFS's TF mutual fund program, and NFS also shares a portion of these fees with LFA. LFA receives up to \$3.00 per position per year for each LFA client position in a TF mutual fund participating in NFS's TF mutual fund program held through a commission-based brokerage account with NFS. LFA does not, however, receive from NFS any of the payments referenced in this paragraph in connection with NTF or TF mutual funds that are held in LFA clients' investment advisory accounts.

You should be aware that there are mutual funds and share classes available on our investment platform that do not make these revenue sharing payments to us (e.g., Fidelity mutual funds and mutual funds participating in NFS's NTF managed account program) and therefore are generally less expensive for you to purchase and hold than mutual funds and share classes that do generate such revenue sharing payments to us.

LFA's receipt of these revenue sharing payments from NFS presents a conflict of interest for LFA given LFA's financial incentive to recommend that you invest through commission-based accounts at NFS where LFA receives these revenue sharing payments, rather than fee-based investment advisory accounts at NFS where LFA does not receive these revenue sharing payments. Additionally, our receipt of these revenue sharing payments from NFS presents a conflict of interest for us given our financial incentive to recommend that you purchase and hold NTF mutual funds and TF mutual funds that generate these revenue sharing payments to us in your commission-based brokerage accounts with NFS, rather than other available NTF mutual funds, TF mutual funds, and other securities and investment products that do not generate these revenue sharing payments to us (e.g., Fidelity mutual funds) or that generate comparatively lower revenue sharing payments to us. Further, our receipt of these revenue sharing payments from NFS presents a conflict of interest for us given our financial incentive to utilize NFS as our custodian and clearing firm, rather than other available custodian and clearing firms who would pay us relatively lower or no revenue sharing. LFA addresses these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any of these revenue sharing payments with the LFA financial professionals that recommend account types, mutual funds, and share classes for your account; and (iii) supervising LFA financial professionals' recommendations to evaluate whether they are suitable for you and in your best interest.

***You should carefully consider the investment objectives, risks, costs, and expenses of a mutual fund and particular share class before investing. This and other important information is available in each***

***mutual fund's prospectus, which is available from your LFA financial professional or LFA upon request. Please read the applicable mutual fund's and share class's prospectus carefully before investing. Investing in mutual funds entails material risks and clients could lose all or a portion of their investment.***

***For additional information on LFA's various compensation arrangements and related conflicts of interest, please see LFA's Form CRS, Regulation Best Interest Disclosure Document, and Forms ADV, Part 2A, as applicable, which are available at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures.***