

Lincoln Financial Advisors Corporation (we, us, or our) is registered with the U.S. Securities and Exchange Commission as a broker-dealer and an investment adviser. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

**WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?**

We offer brokerage and investment advisory services. Many, but not all, of our financial professionals are licensed to offer both brokerage and advisory services through us. Discuss with your financial professional the services they can provide.

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p><b><u>Principal Services.</u></b> We can recommend and effect securities transactions, including purchases and sales, and investment strategies, including account types and rollovers or transfers of assets, for you. We offer access to brokerage accounts held by National Financial Services LLC (NFS), our custodian; accounts held directly with securities issuers; education accounts (e.g., education savings plans); retirement accounts, where your investments are held with the retirement account's custodian; and specialty accounts (e.g., margin accounts). We offer access to stocks, bonds, options, mutual funds, closed-end funds, exchange-traded funds (ETFs), unit investment trusts (UITs), variable annuities, variable life insurance policies, alternative investments (AIs), and various other securities. We also offer access to securities-backed lines of credit (SBLOCs) offered by third-party lenders.</p> <p><b><u>Monitoring.</u></b> We are available to assist with your account and investments, but we don't monitor your account, your investments (including investments we recommend), or their performance when we provide brokerage services.</p> <p><b><u>Investment Authority.</u></b> We don't accept discretionary investment authority when we provide brokerage services. This means that we can't buy or sell investments in your account without first obtaining your consent. We may recommend investments to you, but you make the ultimate decision regarding purchases and sales of investments when we provide brokerage services.</p> <p><b><u>Limitations.</u></b> Not all of our financial professionals can offer our full range of products and services, and some can only offer our affiliates' products. We only offer variable annuities and AIs from sponsors who support our marketing and distribution efforts. Our financial professionals are generally limited to recommending Class A, C, and R mutual fund shares. We do not offer discount brokerage commissions or a self-directed brokerage account platform.</p> <p><b><u>Account Requirements.</u></b> We don't impose a minimum investment amount to establish or maintain a brokerage</p>	<p><b><u>Principal Services.</u></b> We can provide ongoing investment advice through our sponsored programs and third-party asset managers' programs (TAMPs); advice on TAMP, separately managed account (SMA), and model provider selection; and advice in connection with financial planning and consulting services. We offer access to cash and margin accounts, including advisory and retirement accounts, through National Financial Services LLC (NFS) and Fidelity Brokerage Services LLC (FBS), our custodians. We also provide advice regarding products and accounts held directly with product sponsors and other custodians. We provide advice regarding stocks, bonds, options, mutual funds, closed-end funds, exchange-traded funds (ETFs), unit investment trusts (UITs), variable annuities, variable life insurance policies, alternative investments (AIs), and various other securities. We also provide advice regarding securities-backed lines of credit (SBLOCs) offered by third-party lenders.</p> <p><b><u>Monitoring.</u></b> We monitor your account on an ongoing basis as part of our standard ongoing advisory services. We don't monitor investments you purchase to implement advice we provide in financial plans or consultations unless you separately engage us to do so.</p> <p><b><u>Investment Authority.</u></b> You may grant us discretionary investment authority in certain of our sponsored programs by providing written authorization. If you do, you authorize us to purchase and sell investments for you without your approval of each transaction. We don't accept discretionary authority to purchase or sell options, commodities, AIs, or insurance; borrow; remove account assets; or select TAMPs, SMAs, or model providers. Discretionary authority continues until you revoke it in writing. Unless you grant us discretionary authority in writing, you make the ultimate decision regarding purchases and sales of investments when we provide advisory services. We don't accept discretionary authority in connection with TAMP programs or financial planning or consulting services.</p> <p><b><u>Limitations.</u></b> Not all of our financial professionals can offer our full range of advisory services. We only provide advice regarding variable annuities and AIs from sponsors who support our brokerage business's marketing and distribution efforts.</p> <p><b><u>Account Requirements.</u></b> Our sponsored ongoing advisory programs impose minimum investments generally ranging</p>

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
account or relationship with us. Certain product sponsors impose minimum investments for their products.	from \$10,000-\$100,000. Minimums vary and may be negotiable. There are no minimums for financial planning or consulting services. Certain TAMPs and product sponsors impose minimum investments for their products.

➤ **For more information on our brokerage services, see our Reg BI disclosure document at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. For more information on our advisory services, see our Forms ADV, Part 2A at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures.**

**Ask your financial professional these questions to start a conversation about relationships and services:**

- **Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?**
- **How will you choose investments to recommend to me?**
- **What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?**

**WHAT FEES WILL I PAY?**

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p><b><u>Principal Fees and Costs.</u></b> The principal brokerage fees and costs you will incur include commissions, sales charges, sales loads, and markups/markdowns on securities transactions and related trading, execution, and other fees. You generally will pay these fees each time you place a securities transaction, but you will pay certain fees (e.g., back-end sales loads on mutual funds) over time as you hold or when you sell your investment. These fees and costs vary by product, share class, and transaction size.</p> <p><b><u>Other Fees and Costs.</u></b> Other brokerage fees and costs you will incur include internal expenses of investments, including 12b-1, sub-transfer agency, management, administrative, servicing, and insurance fees; fees for trades not executed by NFS; service and handling fees; option exercise and assignment fees; inactive account fees; cash management account fees; retirement account maintenance and termination fees; asset transfer fees; AI custody and valuation fees; check fees; wire transfer, overnight check, returned check, and stop payment fees; interest on cash debits; certificate return and transfer fees; security safekeeping fees; reorganization fees; direct registration fees; duplicate document fees; and tax return fees. You will also pay interest on margin loans and SBLOCs.</p> <p><b><i>Our receipt of these fees creates a conflict for us because you pay more, and we receive more compensation, when you trade more, use margin loans and SBLOCs, and take other fee-generating actions. We therefore have an incentive to recommend that you trade often, use margin loans and SBLOCs, and take fee-generating actions. We also have an incentive to recommend that you invest in products that pay us the highest rate of compensation.</i></b></p>	<p><b><u>Principal Fees and Costs.</u></b> The principal fee and cost you will incur for ongoing advisory services is a program fee based on a percentage of your account assets. In a “wrap-fee” program, you will typically pay a “wrap fee” that includes an advisory fee and costs for securities transaction execution and other services. Wrap fees are usually higher than fees for non-wrap fee programs because they include most transaction costs. In non-wrap fee programs, you will incur separate transaction fees and costs, which vary by product, share class, and transaction size. You will pay program fees monthly or quarterly, in arrears or in advance, or as stated in your contract, and transaction fees when you place securities transactions. For financial planning services, you will pay a fixed fee up front or as stated in your contract. For consulting services, you will pay a fixed or hourly fee up front or as stated in your contract.</p> <p><b><u>Other Fees and Costs.</u></b> Other fees and costs you may incur in connection with ongoing advisory services include internal expenses of investments, including 12b-1, sub-transfer agency, management, administrative, servicing, and insurance fees; fees for trades not executed by your advisory program’s associated broker-dealer; inactive account fees; cash management account fees; retirement account maintenance and termination fees; asset transfer fees; AI custody and valuation fees; check fees; wire transfer, overnight check, returned check, and stop payment fees; interest on cash debits; certificate return and transfer fees; security safekeeping fees; reorganization fees; direct registration fees; duplicate document fees; and tax return fees. You will also pay interest on margin loans and SBLOCs. For our financial planning and consulting services, you generally will not incur fees and costs other than the fixed or hourly fees discussed above.</p> <p><b><i>Our receipt of program fees creates a conflict for us because you pay us more when there are more assets in your account. We therefore have an incentive to recommend that you increase your account assets and use margin loans and SBLOCs. We also have an incentive to recommend that you use our sponsored advisory programs and NFS, rather than FBS, as the custodian because we can act in our brokerage capacity in those programs and receive transaction-</i></b></p>

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	<i>based fees in addition to the program fees we receive in our advisory capacity. We also have an incentive to recommend that you use margin loans and SBLOCs because we receive interest when you do.</i>

➤ ***You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information on brokerage fees and costs, see our Reg BI disclosure document at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. For more information on advisory fees and costs, see our Forms ADV, Part 2A at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. In each case, see our Fee and Commission Schedule at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Cost.***

Ask your financial professional this question to start a conversation about the impact of fees and costs on investments:

➤ ***Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?***

**WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p><b><u>Proprietary Products.</u></b> We offer insurance and retirement products sponsored by our affiliates and we and our affiliates receive additional compensation when we sell them. <b><i>This creates a conflict for us because we have an incentive to recommend that you invest in products that pay us and our affiliates additional compensation.</i></b></p> <p><b><u>Third-Party Payments.</u></b> When we sell you an investment, we receive payments from the product issuer, sponsor, or manager and typically receive ongoing payments, such as 12b-1 fees, servicing fees, distribution fees, and trail compensation from them. <b><i>This creates an incentive for us to recommend investments that generate such payments and maintain relationships with these issuers, sponsors, and managers. Since the amount of compensation we receive varies among issuers, sponsors, managers, and different investments, we have an incentive to recommend that you purchase investments that pay us the highest compensation.</i></b></p> <p><b><u>Revenue Sharing.</u></b> Many product issuers, sponsors, and managers make payments to us that are sometimes called “revenue sharing” because they share with us part of the revenue they earn on your investments in their products. We also receive compensation from NFS based on your investments in certain no transaction fee and transaction fee mutual funds. <b><i>This creates an incentive for us to offer products that generate such payments and to recommend that you increase your assets in those products.</i></b></p> <p><b><u>Principal Trading.</u></b> We engage in principal transactions involving debt securities. When we sell a bond to you or purchase a bond from you as principal, we can mark the price up or down. <b><i>This creates a conflict for us because we have an incentive to mark the bond price up or down to generate more compensation for us, which will</i></b></p>	<p><b><u>Proprietary Products.</u></b> We provide investment advice regarding insurance, retirement products, model portfolios, and advisory programs sponsored by us or our affiliates and we and our affiliates receive additional compensation when your advisory assets are directed to them. <b><i>This creates a conflict for us because we have an incentive to recommend that you direct your advisory assets to products that pay us and our affiliates additional compensation.</i></b></p> <p><b><u>Revenue Sharing.</u></b> Many product issuers, sponsors, and managers, TAMPs, and model providers make payments to us that are sometimes called “revenue sharing” because they share with us part of the revenue they earn on the investment of your advisory account assets in their products. <b><i>This creates an incentive for us to recommend that you invest your advisory account assets in the products, TAMPs, and model providers that generate such payments and to recommend that you increase the amount of assets in your advisory account.</i></b></p>

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<i>cause you to pay more for your purchase or receive less for your sale.</i>	

**Ask your financial professional this question to start a conversation about conflicts of interest:**

- *How might your conflicts of interest affect me, and how will you address them?*

- *For more information on our brokerage conflicts, see our Reg BI disclosure document at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. For more information on our advisory conflicts, see our Forms ADV, Part 2A at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures.*

#### **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p>Our financial professionals receive a percentage of the commissions, sales charges, sales loads, markups/markdowns, and ongoing payments we receive in connection with your securities transactions and holdings. Commissions vary based on the security and share class you purchase, and the size of your transaction, and our financial professionals receive higher compensation for certain proprietary product sales. Our financial professionals also receive non-cash compensation, including recognition trips, nominal gifts, entertainment, and other benefits, from product sponsors, our affiliates, and us based on revenue they generate for each of us and other factors. Certain financial professionals receive firm-sponsored benefits based on proprietary product sales and other economic benefits based on asset accumulation, total sales, total compensation, or proprietary product sales. Certain financial professionals also receive loans from us and have loan balances forgiven based on revenue they generate for us.</p> <p><i>This creates a conflict for our financial professionals because they receive more compensation, and have loan balances forgiven, when you trade more, purchase proprietary products, and take other fee-generating actions. They therefore have an incentive to recommend that you trade often, purchase proprietary products, and take fee-generating actions. Our financial professionals also have an incentive to recommend that you invest in products that pay them the highest rate of compensation.</i></p>	<p>For ongoing advisory services, our financial professionals receive a percentage of the asset-based program fee you pay. Your financial professional will negotiate the program fee with you based on your circumstances and other factors. Our financial professionals also receive non-cash compensation, including recognition trips, nominal gifts, entertainment, and other benefits, from product sponsors, our affiliates, and us based on revenue they generate for each of us and other factors. Certain financial professionals receive firm-sponsored benefits based on proprietary product sales and other economic benefits based on total or proprietary product compensation or assets in our sponsored advisory programs. Certain financial professionals also receive loans from us and have loan balances forgiven based on revenue they generate for us. For financial planning and consulting services, our financial professionals receive a percentage of the fixed or hourly fee you pay us. Your financial professional will negotiate financial planning and consulting fees with you based on your circumstances and other factors.</p> <p><i>This creates a conflict for our financial professionals because they receive more compensation, and have loan balances forgiven, if you deposit more assets into your account, utilize financial planning and consulting services, and take fee-generating actions. They therefore have an incentive to recommend that you do.</i></p>

#### **DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

Yes. We and some of our financial professionals have legal and disciplinary histories. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Ask your financial professional these questions to start a conversation about his or her disciplinary history:**

- *As a financial professional, do you have any disciplinary history?*
- *For what type of conduct?*

#### **ADDITIONAL INFORMATION**

- *For more information on our brokerage services, see our Reg BI disclosure document at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. For more information on our advisory services, see our Forms ADV, Part 2A at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. This relationship summary is available at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) and you can request up-to-date information and another copy of this relationship summary by calling 1-800-237-3813.*

**Ask your financial professional these questions to start a conversation about contacts and complaints:**

- *Who is my primary contact person?*
- *Is he or she a representative of an investment adviser or a broker-dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*