

## Alternative Investment Products

Lincoln Financial Securities Corporation (“LFS”) offers clients access to a range of non-traditional investments, including, but not limited to, non-traded real estate investment trusts, oil and gas programs, managed futures funds, interval funds, hedge funds, funds of hedge funds, private equity funds, and other limited partnerships, private placements, and non-traded investment programs (collectively, “AIs”). Many of the sponsors whose AIs are available through LFS directly compensate LFS for the purpose of marketing their AIs, including all sponsors whose AIs are available to LFS’s broker-dealer clients. LFS’s receipt of this compensation presents a conflict of interest for LFS given LFS’s financial incentive to offer the sponsors and AIs that make these payments to LFS and to recommend that you use sponsors and AIs that make the highest rate and amount of these payments to LFS, rather than other available sponsors and AIs that make relatively lower or no payments to LFS. LFS is providing you with this marketing support disclosure so that you are informed about our various conflicts of interest associated with our AI offerings and recommendations. We encourage you to contact us or your LFS financial professional with any questions you may have regarding these arrangements, and LFS’s related conflicts of interest, before investing in any AIs through LFS.

### ***LFS’s Direct Marketing Support Arrangements with AI Sponsors***

LFS receives additional compensation, sometimes called “marketing support,” directly from many AI sponsors available through LFS, including all sponsors whose AIs are available to LFS’s broker-dealer clients. AI sponsors or their affiliates generally make these payments to LFS out of the gross proceeds of the AI offering, as described in the prospectus, private placement memorandum, or other offering documents for the AI offering. In the case of interval funds, AI sponsors make these payments to LFS out of their or their affiliates’ assets, not from the assets of any interval fund available on LFS’s investment platform. In these cases, these payments will not appear as a fee or expense deducted from your account, or as an item in the expense table disclosure for any interval fund available on LFS’s investment platform. The method, timing, rate, and amount of these marketing support payments vary by AI sponsor, AI, and share class, but marketing support payments typically are paid using one or more of the following methodologies: payment of a percentage of each sale; payment of a flat amount per sales transaction; and/or payment of an annual fee based on a percentage of total LFS client assets held with the AI sponsor. Payment rates and amounts vary by AI sponsor, but AI sponsors generally pay LFS: up to 1.5% of the gross amount of each sale; up to \$250 per sales transaction; and/or up to 0.10% annually of total LFS client assets held with the AI sponsor. Accordingly, the payments LFS receives will increase with the amount of client assets placed with the AI sponsor. In general, the marketing support rates LFS receives in connection with AIs exceed the marketing support rates LFS receives in connection with other product types, such as mutual funds, annuities, and insurance products.

These marketing support payments subsidize the cost of educational programs and marketing activities that are designed to help facilitate the utilization of these sponsors’ AIs and make our financial professionals more knowledgeable about their AIs. In addition, these payments allow these AI sponsors’ representatives to attend and participate in LFS conferences where financial professionals are present, one-on-one marketing meetings, and due diligence presentations. In some cases, these payments also compensate LFS for administrative services it provides in connection with AI sponsors’ offerings.

The AI sponsors with which LFS has direct marketing support arrangements are:

AEI Fund Management	Inland Real Estate
Apollo Global Management	Liberty Street Advisors
Ares Wealth Management Solutions, LLC	Mewbourne Development Corporation
Bluerock Capital Markets LLC	Passco Companies
Capital Square Realty Advisors, LLC	Sierra Crest
Goldman Sachs	Steben & Co.
Griffin Capital	US Energy
Hines Real Estate	

You should be aware that there are AIs available through LFS's investment advisory programs that do not pay LFS any marketing support payments and therefore are generally less expensive for you to use than AIs that do make such payments to LFS.

The marketing support payments that LFS receives from the above AI sponsors create financial incentives for LFS that result in conflicts of interest for LFS. In particular, LFS has a conflict of interest given its financial incentive to offer the AI sponsors and AIs that make these payments to LFS and to recommend that you use AI sponsors and AIs that make such payments to LFS, rather than other available AI sponsors and AIs that do not make such payments to LFS. In addition, LFS has a financial incentive to offer the AI sponsors and AIs that make the highest rate and amount of marketing support payments to LFS and to recommend that you use those AI sponsors and AIs, rather than other available AI sponsors and AIs that make relatively lower or no marketing support payments to LFS. Further, certain AI sponsors pay LFS more or less depending on the particular AI or share class sold, certain sponsors subject their flat payments per sales transaction to minimum sale thresholds, and certain AI sponsors place caps on the aggregate payments LFS can receive. Given these facts, LFS has a conflict of interest given its financial incentive to: (i) recommend that you use the AIs and share classes that generate the highest rate and amount of marketing support payments to LFS, rather than other available AIs and share classes that generate relatively lower or no marketing support payments to LFS; (ii) recommend that you engage in AI transactions at levels that exceed the minimum sale thresholds below which LFS will not receive marketing support payments from the AI sponsors; and (iii) recommend that you use AIs from sponsors for which LFS has not reached the cap on the aggregate marketing support payments LFS can receive. Moreover, because LFS limits the AI sponsors available to its broker-dealer clients to only those AI sponsors that make marketing support payments to LFS, LFS and its financial professionals cannot recommend that broker-dealer clients use AIs from AI sponsors that do not make these payments to LFS and that could potentially cost them less overall and otherwise be suitable for them and in their best interest. This presents a conflict of interest for LFS and its financial professionals given their financial incentive to recommend that broker-dealer clients use the AIs that are available through LFS's platform. LFS addresses these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any of these marketing support payments with the LFS financial professionals that recommend AI sponsors, AIs, and share classes for your account; and (iii) supervising LFS financial professionals' recommendations to evaluate whether they are suitable for you and in your best interest.

### ***Other Marketing Support from AI Sponsors***

In addition to the marketing support payments that LFS receives through the formal marketing support arrangements described above, AI sponsors make flat dollar payments to LFS from time to time. These payments are made for specific activities, including, but not limited to, exhibit booth space, presentation opportunities at LFS meetings or similar events, attendance at conferences, educational events for LFS financial professionals, and participation in other training and educational events. Some AI sponsors also reimburse LFS 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 AI sponsors also provide LFS and its financial professionals with nominal gifts and gratuities, including, but not limited to, merchandise bearing the brand or logo of the AI sponsor. For similar reasons as those noted above, these arrangements create financial incentives for LFS that result in conflicts of interest for LFS. LFS addresses these conflicts of interest by adopting measures similar to those noted above and also by requiring every AI sponsor, including their wholesalers, employees, and agents, to comply with LFS's non-cash compensation policies as they relate to additional payments and compensation, including, but not limited to, marketing support. AI sponsors must also provide documents or other information to evidence compliance with these policies upon request.

***You should carefully consider the investment objectives, risks, costs, and expenses of an AI and particular share class before investing. This and other important information is available in each AI's prospectus, private placement memorandum, or other offering documents, which are available from your financial professional or LFS upon request. AIs are subject to illiquidity risks, risks related to the difficulty in valuing certain AIs as a result of the assets in which they invest, risks related to the inability to obtain daily or otherwise current valuations for certain AIs, and other special risks and some AIs are speculative. Additionally, AI investments will in certain circumstances involve additional fees and expenses, including, but not limited to, fees imposed by AI platforms and investment vehicles through which LFS makes certain AIs available to clients. There is no assurance that the stated investment objectives of an AI will be met. You must meet specific suitability standards before investing in an AI and these suitability standards vary by state and AI. Investing in AIs entails material risks and clients could lose all or a portion of their investment.***

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