

## Mutual Fund Products and Accounts

Lincoln Financial Securities Corporation (“LFS”) 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 LFS directly compensate LFS for marketing their mutual funds and mutual fund accounts. Additionally, LFS 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. LFS’s receipt of this compensation presents a conflict of interest for LFS given LFS’s financial incentive to make the mutual fund families, mutual funds, and mutual fund accounts that make these payments to LFS available on LFS’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 LFS, rather than other available mutual fund families, mutual funds, and mutual fund accounts 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 mutual fund family, mutual fund, and mutual fund account 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 mutual funds or mutual fund accounts through LFS.

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

LFS 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 LFS. Mutual fund families and third-party sponsors make these payments to LFS out of their or their affiliates’ assets, not from the assets of any mutual fund or mutual fund account available through LFS. 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 LFS’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 LFS 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 LFS: up to 0.20% of the gross amount of each sale; up to 0.15% annually of total LFS client assets held with the mutual fund family or third-party sponsor; and/or flat annual fees that do not exceed \$300,000 annually. Accordingly, with respect to arrangements where payments are based on a percentage of each sale or total LFS client assets held

with the mutual fund family or third-party sponsor, the payments LFS 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 LFS 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 LFS has direct marketing support arrangements are:

Aberdeen	Federated	Nuveen
Alger	Fidelity Advisor Funds	Pacific Life
Alliance Bernstein	Franklin Templeton	PIMCO
American Beacon	FS Investments	Putnam Investments
American Century	Goldman Sachs	Russell Investments
American Funds	Griffin Capital	Sammons Financial*
Amundi Pioneer	Hartford	Stadion Money Management
BlackRock	INVESCO	Thornburg
Calamos	Janus Henderson	Thrivent
Columbia Threadneedle	JP Morgan	Value Line Funds
Delaware Funds	LoCorr Funds	Victory Capital Management
Eventide Asset Management	Lord, Abnett & Co.	Voya**
	MFS	

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

\*\* In addition to marketing support payments that LFS receives in connection with the Voya mutual funds, LFS receives marketing support payments from Voya based on total LFS 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 LFS that do not pay LFS any marketing support payments and therefore are likely to be 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 LFS.

The marketing support payments that LFS receives from the above mutual fund families and third-party 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 make the mutual fund families, mutual funds, share classes, asset classes, investment strategies, and mutual fund accounts that make marketing

support payments to LFS available on LFS'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 LFS, 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 LFS. In addition, LFS 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 LFS on LFS'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 LFS. Additionally, certain mutual fund families and third-party sponsors make marketing support payments to LFS 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 LFS 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, LFS 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 LFS, 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 LFS. LFS mitigates these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any marketing support payments with the LFS financial professionals that recommend mutual fund families, mutual funds, share classes, asset classes, investment strategies, or mutual fund accounts for you; and (iii) supervising LFS 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 LFS 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 LFS, 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 mutual fund families and third-party 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 mutual fund families and third-party 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 mutual fund family or third-party sponsor. For similar reasons as those noted above, these arrangements create financial incentives for LFS that result in conflicts of interest for LFS. LFS mitigates 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 LFS

through a formal or informal arrangement, 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. Mutual fund families and third-party sponsors must also provide documents or other information to evidence compliance with these policies upon request.

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

LFS'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 LFS. LFS receives up to 0.25% annually of total LFS 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 LFS. LFS receives up to \$3.00 per position per year for each LFS client position in a TF mutual fund participating in NFS's TF mutual fund program held through a commission-based brokerage account with NFS. LFS 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 LFS 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 likely to be less expensive for you to purchase and hold than mutual funds and share classes that do generate such revenue sharing payments to us.

LFS's receipt of these revenue sharing payments from NFS presents a conflict of interest for LFS given LFS's 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 and mutual funds participating in NFS's NTF managed account program) or that generate comparatively lower revenue sharing payments to us. Additionally, 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. LFS mitigates these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any of these revenue sharing payments with the LFS financial professionals that recommend mutual funds 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.

***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 LFS financial professional or LFS 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 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.***