

## Mutual Fund Products

Lincoln Financial Advisors Corporation (“LFA”) offers its clients access to a broad selection of mutual funds from a variety of mutual fund families. Some of the mutual fund families available on LFA’s investment platform directly compensate LFA for the purpose of marketing their mutual funds. Additionally, LFA’s custodian and clearing firm, National Financial Services, LLC (“NFS”), shares with LFA certain revenues it receives from mutual fund families that are available through its mutual fund programs. LFA’s receipt of such compensation gives LFA an incentive to include these mutual fund families on its investment platform and to recommend certain mutual funds and share classes over other mutual funds and share classes for which LFA receives less or no compensation. LFA is providing you with this marketing support disclosure so that you are informed about the conflicts of interest associated with our mutual fund offerings and recommendations, and we encourage you to contact us with any questions you may have.

### *LFA’s Direct Marketing Support Arrangements with Mutual Fund Families*

LFA receives additional compensation, sometimes called “marketing support,” directly from certain mutual fund families available on LFA’s investment platform. Mutual fund families make these payments to LFA out of their or their affiliates’ assets, not from the assets of any mutual fund available on LFA’s investment platform. These payments therefore 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. Depending on the mutual fund family, these payments can be flat annual payments, made on the basis of total sales, made on the basis of the amount of LFA client assets held with the mutual fund family, or made on a combination of those methods. These payments vary from mutual fund family to mutual fund family, but each mutual fund family generally pays a flat annual payment that does not exceed \$100,000 annually, up to 0.20% of the gross amount of each sale, and/or up to 0.15% annually of total LFA client assets held with the mutual fund family. Certain mutual fund families make marketing support payments in connection with only certain share classes that are available on LFA’s investment platform (and not others), and certain mutual fund families pay LFA more or less depending on the particular mutual fund’s asset class or investment strategy. Moreover, not all mutual fund families available on LFA’s investment platform make these payments to LFA and, among those that do, some mutual fund families pay LFA more than others.

These payments subsidize the cost of educational programs and marketing activities that are designed to help facilitate the distribution of these mutual fund families’ mutual funds and make our financial professionals more knowledgeable about their mutual funds. In addition, these payments allow mutual fund families’ 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 with which LFA has direct marketing support arrangements are:

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

You should be aware that there are mutual funds and share classes available on LFA's investment platform that do not pay any marketing support payments to LFA and therefore may be less expensive for you to hold than mutual funds and share classes that do make such payments to LFA.

The marketing support payments made by the above mutual fund families create incentives for LFA that result in conflicts of interest for LFA. In particular, because of these marketing support payments, LFA has an incentive to include these mutual fund families on LFA's investment platform and to recommend that you invest in mutual funds and share classes that make such payments to LFA, rather than mutual funds and share classes that do not make such payments to LFA. In addition, LFA has an incentive to include the mutual funds and share classes of mutual fund families that make the highest or relatively higher marketing support payments to LFA on LFA's investment platform and to recommend that you invest in those mutual funds and share classes. LFA addresses these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any of these revenues with the financial professionals that recommend mutual fund families, mutual funds, and share classes for your account; and (iii) supervising financial professionals' recommendations to evaluate whether they are suitable and in your best interest.

#### *Other Marketing Support from Mutual Fund Families*

In addition to the marketing support payments that LFA receives through the formal marketing support arrangements described above, mutual fund families, 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 not made as part of any formalized agreement, but rather for specific activities, including, but not limited to, exhibit booth space, presentation opportunities at LFA meetings or similar events, attendance at conferences, and participation in other training and educational events. Some mutual fund families 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 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. For similar reasons as those noted

above, these arrangements create 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, 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 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 offers a no transaction fee ("NTF") mutual fund program that includes a broad selection of NTF mutual funds. Certain participating mutual fund families pay NFS a fee to have their 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 mutual funds participating in NFS's NTF mutual fund program through brokerage accounts held with NFS. NFS also offers a transaction fee ("TF") mutual fund program. Certain participating mutual fund families pay NFS a fee to have their 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 mutual fund participating in NFS's TF mutual fund program held through a brokerage account with NFS. LFA does not, however, receive from NFS any of the payments referenced in this paragraph in connection with mutual funds that are held in LFA clients' investment advisory accounts.

You should be aware that there are available mutual funds that do not make these payments to NFS and LFA and therefore may be less expensive for you to hold than mutual funds that do make such payments.

These payments made by NFS create incentives for LFA that result in conflicts of interest for LFA. In particular, because of these payments, LFA has an incentive to recommend that you invest in mutual funds and share classes that make such payments to LFA, rather than mutual funds and share classes that do not make such payments. In addition, LFA has an incentive to recommend that you invest in mutual funds and share classes that make the highest or relatively higher payments to LFA. LFA addresses these conflicts of interest by: (i) disclosing them to you; (ii) not sharing any of these revenues with the financial professionals that recommend mutual funds and share classes for your account; and (iii) supervising financial professionals' recommendations to evaluate whether they are suitable and in your best interest.

***Carefully consider the investment objectives, risks, costs, and expenses of a mutual fund and particular share class before investing. This and additional information is available in each mutual fund's prospectus, which is available from your financial professional or LFA upon request. Read the prospectus carefully before investing or sending money. The investment return and principal value of an investment in any mutual fund will fluctuate with changes in market conditions so that an LFA client's investment when redeemed may be worth more or less than the original amount invested.***