

THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

This Disclosure Document describes revenue sharing, financial benefits and fees (“Third Party Compensation”) received by LPL Financial LLC (“LPL”) from third party product providers and their affiliates (“Product Sponsors”) in connection with financial products and services offered by LPL to its brokerage and advisory customers (“Customers”). Product Sponsors pay LPL Third Party Compensation for marketing support, data analytics, administrative services, and to reimburse expenses, among other reasons. The amount and form of Third Party Compensation paid by a Product Sponsor can vary depending on many factors, including the services provided by LPL and the Product Sponsor’s investment products.

In general, Product Sponsors pay Third Party Compensation in addition to other product-related fees paid by the investor, which include sales charges, deferred sales charges, distribution and services fees, redemption fees, and other fees and expenses disclosed in a product’s offering documents. Third Party Compensation may be paid by a particular investment fund, or its investment advisor or distributor, or an affiliate, but generally represents an expense embedded in the investment that is born by investors.

LPL has conflicts of interest like all financial services companies. As an LPL Customer, it is important to understand that LPL’s receipt of Third Party Compensation creates a conflict of interest for LPL, which means that there is an incentive for LPL and its financial professionals to recommend investment products that pay Third Party Compensation. LPL receives significantly more Third Party Compensation from the Product Sponsors for which LPL’s clients have the largest holdings, which creates a conflict of interest for LPL to promote and recommend these Product Sponsor’s investments. Additionally, LPL generally receives higher rates of Third Party Compensation from investments with higher management fees, which creates an incentive for LPL to promote or recommend these investments. Other investment products with lower management fees that do not pay Third Party Compensation are available. The variations between amounts and forms of Third Party Compensation also create an incentive for LPL and its financial professionals, for example, to recommend holding products which pay Third Party Compensation to LPL as an ongoing percentage of Customer assets. This conflict can cause Customers to pay higher overall fees and expenses and have an impact on the investment performance of an account. Indeed, when LPL’s Third Party Compensation is directly based on a product’s expense ratio LPL has an incentive to select a product with a more expensive expense ratio, which will cause an investor to earn less on an investment than a comparable product with a lower expense ratio.

Customers should read carefully this Disclosure Document and any other related disclosures, including any offering documents related to the Customer’s investments. Customers should also be aware that there may be additional conflicts of interest that are not addressed below. Unless otherwise stated below, all compensation amounts are annualized and the compensation received by LPL is not shared with your financial professional. This Disclosure Document contains several lists of Product Sponsors that participate in LPL’s various Third Party Compensation programs. The participation by Product Sponsors is accurate as of the date of the publication but is constantly changing. Any questions concerning the current list of Product Sponsors or other LPL’s services, compensation, or this Disclosure Document, including requests for copies of documents referenced below, should be directed to your financial professional or LPL Customer Services at (800) 558-7567.



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1. **Marketing Support Programs.** LPL offers marketing support programs to Product Sponsors that consist of the opportunity to promote their products by: participating in conferences, seminars, programs and other events for LPL’s financial professionals; communicating directly with LPL’s financial professionals using information provided by LPL; and, marketing to LPL’s financial professionals using LPL’s internal resources for financial professionals, including its internal website. LPL receives Third Party Compensation from Product Sponsors in connection with these marketing support programs that support the education and training of its financial professionals on investment products and insurance. Product Sponsors make these marketing support payments to incentivize LPL to promote their products, and receive preferential treatment as a result of these payments¹.

Additionally, LPL receives significantly more revenue sharing from firms for which LPL’s clients have the largest holdings, and some of LPL’s contracts pay increased asset based fees when certain threshold are met. This creates a conflict of interest for LPL to promote and recommend those investments. LPL does not accept these fee payments for assets held in retirement accounts and does not share these payments with its financial professionals.

Product Categories	LPL Marketing Support Compensation	Financial Professional Compensation
Mutual Funds and Interval Funds	<ul style="list-style-type: none"> Up to 0.25%² of Customer Assets 	None
Exchange Traded Funds	<ul style="list-style-type: none"> Up to 0.20% based on the product’s expense ratio and a flat fee of up to \$1,000,000 based on Customer Assets 	None
Variable Annuities	<ul style="list-style-type: none"> Up to 0.15% of Customer Assets, and Up to 0.45% of new sales 	None ³
Fixed Annuities and Fixed Indexed Annuities	<ul style="list-style-type: none"> Up to 0.25% of Customer Assets, or Up to 0.50% of new sales 	None
Fixed and Variable Insurance	<ul style="list-style-type: none"> Between 10% to 35% of first-year commissionable premiums⁴ 	None
Alternative Investments ⁵	<ul style="list-style-type: none"> Up to 0.35% of Customer Assets, and/or Up to 1.50% of new sales 	None ⁶
Retirement Plans	<ul style="list-style-type: none"> Up to \$260,000 as a fixed fee⁷ 	None

¹ When Third Party Compensation in the form of percentage-based fees on Customer Assets is referenced in this Disclosure Document certain Customer Assets are excluded based on the account type to remain consistent with applicable law.

² LPL also receives up to \$10 per trade ticket charge for each brokerage purchase of a mutual fund or exchange traded fund participating in a marketing support program. American Funds Distributors, Inc. compensates LPL in accordance with the terms of a letter of understanding. LPL receives compensation of up to 0.035% on an annual basis of Customer Assets invested with American Funds as determined by American Funds Distributors, Inc. at its discretion. LPL is also eligible for a flat annual payment of up to \$5,000,000 from American Funds Distributors, Inc. as support for LPL’s product marketing and financial professional education and training efforts in connection with the sale of American Funds products. For funds that pay based on new sales, compensation to LPL will not exceed the sum of (a) .10% of Sales, and (b) 0.03% of Customer Assets.

³ Ticket charges for variable annuities vary across LPL’s brokerage platform. If the Product Sponsor of a variable annuity pays Third Party Compensation under certain Marketing Support Programs, LPL waives the ticket charge for purchase orders of its variable annuities placed through LPL’s annuity order entry trading platform.

⁴ Payments may be made to either LPL Financial LLC or its insurance agency affiliate, LPL Insurance Associates, Inc.

⁵ This category of financial products consists of those available on LPL’s Alternative Investment Order Entry system and includes but is not limited to: real estate investment trusts (REITs), business development companies (BDCs), managed futures, hedge funds and private equity funds.

⁶ In general, this compensation is not shared with your financial professional. In certain circumstances where no commission is paid, in order to compensate the financial professional, LPL may share a portion of the marketing allowance of up to 0.50%.

⁷ This payment is a flat amount and is not received in connection with any particular LPL customer or Customer Assets.



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Product Sponsors that participate in marketing support programs are as follow⁸:

Mutual Funds:

1290 Funds	Federated	Parnassus
361 Capital	Fidelity	Performance Trust Mutual Funds
AB*	First Eagle	PIMCO
Aberdeen	First Trust Advisors	Pioneer
Advisors Asset Management	First Trust Capital	Polen Capital
Alger	Forward	Power Income (W.E. Donoghue)
Allianz	Franklin Templeton	Principal
AlphaCentric	FS Investments (includes Chiron)	Prudential*
American Beacon	Goldman Sachs	Putnam*
American Century	Guggenheim Harbor Fund	Rational Fund
American Funds	Hartford*	Redwood
AMG / Managers	Highland	Royce & Associates (Legg Mason)
Angel Oak	Hood River	Russell
API /Yorktown	Horizon Investments	Salient
Artisan Partners	ICON	Sammons Retirement Solutions
AXS Investments	Invesco*	Shelton
BlackRock*	Ivy*	Sierra (Wright Fund)
Brinker Capital	Janus	Swan Capital Management
Buffalo Funds	John Hancock*	T. Rowe
Calamos	JP Morgan*	Thornburg
Calvert	Kensington	TIAA
Carillon	Lazard	Touchstone / Sentinel
Catalyst Funds	Legg Mason	Transamerica
CBOE Vest	LoCorr	Transparent Value
Cohen & Steers	Lord Abbett	Value Line
Columbia*	Madison Funds	Van Eck
Delaware*	Mainstay (New York Life)	Victory
Diamond Hill	MFS*	Virtus
DoubleLine	Morgan Stanley	Voya
Dreyfus / BNY Mellon	Nationwide	Voya Financial
Dunham	NATIXIS*	Weitz
DWS (Deutsche)	Neuberger Berman	Partners Wells Fargo
Eaton Vance	North Square	Westwood
Empiric	Nuveen	William Blair
Eventide	Pacific Life	

Exchange Traded Funds (ETFs):

Advisors Asset Management	Franklin Templeton	JP Morgan
American Century	Global X	Mainstay IndexIQ
Amplify	Janus	Nuveen Securities, LLC
First Trust	John Hancock	PGIM

⁸LPL offers Product Sponsors two levels of partnership programs, Participating and PLUS, depending upon their Third Party Compensation arrangement with LPL. PLUS sponsors typically pay LPL higher percentages of revenue and, in return, receive additional benefits from LPL such as priority access to or waived fees for conferences, preferred exposure at events, additional marketing support, and priority access to enhanced data analytics and technology resources. The sponsors indicated with an * are Plus and the other sponsors listed are Participating.



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PIMCO
Redwood

State Street Global Advisors
Van Eck

Variable Annuities:

AIG*
Allianz* AXA*
Brighthouse (MetLife)*
CMFG
Delaware Life
Global Atlantic (Forethought)*
Great American

Hartford* Integrity
Jackson National*
John Hancock*
Lincoln Financial*
Mass Mutual Nationwide*
New York Life
Pacific Life*

Principal
Protective
Prudential*
River Source
Sammons
Securian
Transamerica*

Fixed Annuities:

AIG
Allianz
American National
Delaware Life
Eagle Life
Global Atlantic (Forethought)
Great American
Jackson National

Knighthead Annuity (offshore)
Liberty Mutual
Mass Mutual
Minnesota Life Insurance
Company
New York Life
Pacific Life
Principal

Prosperity Life / S.USA LIFE
Prosperity Life/SBLI
Protective
Reliance Standard
Sammons
Symetra
The Standard
Western & Southern / Integrity

Fixed Indexed Annuities:

AIG
Allianz
American National
Athene Annuity and Life
Company
Delaware Life
Eagle Life
Global Atlantic (Forethought)
Great American

Jackson National
Knighthead Annuity (offshore)
Lincoln Financial
Minnesota Life Insurance
Company
Nationwide
Pacific Life
Prosperity Life / S.USA LIFE
Prosperity SBLI

Protective
Prudential
Reliance Standard
Sammons
Security Benefit
Symetra
The Standard
Transamerica
Western & Southern / Integrity

Fixed and Variable Insurance:

Allianz Life Ins. Co.
Allstate Life Ins. Co.
Allstate Life Ins. Co. of NY
American General (AIG)
American General Life Ins. Co. of
DE
American National Insurance
Ameritas (f/k/a Union Central)
Assurity Life
Aviva Life and Annuity
Aviva Life and Annuity Company
of NY
Brighthouse Financial
(Metropolitan Life Ins. Co.)

Equitable Life Ins. Co. (f/k/a AXA)
Exceptional Risk Advisors
First Symetra National Life Ins. Co.
General American Life
Genworth Life Ins. Co.
Genworth Life Ins. Co. of NY
Global Atlantic (ForeThought)
Great West Life
Jackson National
John Hancock
John Hancock NY
Legal and General America
(Banner & William Penn)

Liberty Life Assurance Company
of Boston
Lincoln Benefit
Lincoln Life & Ann of NY Lincoln
National Life Ins. Co.
MassMutual
MetLife DI
Midland National
Minnesota Life Ins. Co (Securian
Life in NY)
Mutual of Omaha (United of
Omaha and Companion Life)
Nassau RE
National Western



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Nationwide Life

New York Life of New York

Ohio National Life

Alternative Investments:

Alkeon

FS Investment Solutions

Nuveen

Altegris

Goldman Sachs

Owl Rock

Black Creek

HarbourVest

RREEF (DWS)

Blackstone

Hines

Sealy

Campbell and Company

Icapital

Skybridge

Cantor

Ironwood

Starwood

Central Park Group

Jones Lang LaSalle

Steben & Company

CNL

Milburn

The Carlyle Group

Eaton Vance

Morgan Creek

Voya

EJF Capital

Nantucket Companies

Franklin Templeton

Neuberger Berman

Retirement Plans:

Alerus Financial LLC

FEDERATED SECURITIES CORP.

Securian

American Century

First Eagle

Standard

Ameritas

Janus

T Rowe DCIO

Ascensus

John Hancock

T Rowe RK

AUL/One America

Lincoln

Transamerica

BLACKROCK

Mutual of Omaha

Vanguard

CUNA/CMFG LIFE INSURANCE

Nationwide

Voya

COMPANY

Paychex

Empower

Principal

2. **Data, Analytics and Reporting.** LPL offers Product Sponsors of mutual funds, closed funds, interval funds, ETFs, alternative investments, advisory strategies, annuities and life insurance contracts the opportunity to purchase analytical data, business intelligence and ad hoc reporting. This information helps Product Sponsors in their sales, distribution and product development efforts with respect to Customers and creates similar conflicts to those discussed above. **LPL receives up to \$600,000 annually from each Product Sponsor in Third Party Compensation for this information.**

Product Sponsors that participate in these benefits are as follows:

Advisors Asset Management

Forethought Financial (Global

Putnam Investments

AIG Life & Retirement

Atlantic)

Redwood Investment

Alliance Bernstein

Franklin Templeton

Management, LLC

American Funds

Goldman Sachs

Russell Investments

Amundi Pioneer

Invesco

T Rowe Price Funds

Blackrock

Janus Funds

The Prudential Insurance

Columbia Funds

John Hancock Financial

Company of America

Delaware Investments

JP Morgan Funds

Wisdom Tree Asset

Federated Securities

Natixis Advisors, L.P.

Management

First Eagle

New York Life

3. **No Transaction Fee Network.** LPL offers several investment platforms including Strategic Asset Management ("SAM I"), Strategic Asset Management II ("SAM II"), and Strategic Wealth Management ("SWM I") and Strategic Wealth Management II ("SWM II"). Certain mutual funds that participate in LPL's No Transaction Fee Network ("NTF Funds") can be purchased in Customer accounts on these platforms without a transaction charge. If an NTF Fund is purchased in a SAM I or SAM II non-ERISA account, the mutual fund directs Third Party Compensation payments to LPL to be used exclusively to defray the



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transaction charge otherwise owed by the Customer (in the case of SAM I) or by the Customer's financial professional (in the case of SAM II). If an NTF fund is purchased in a SWM I or SWM II account, the Product Sponsor of the NTF fund pays LPL Third Party Compensation (up to 0.25% of Customer Assets) in order to make the NTF funds available with no transaction charge.

The following mutual funds participate in the SAM I and SAM II NTF Mutual Fund Network:

1290 Funds	First Eagle	Nuveen
361 Capital	First Trust Advisors	Pacific Life
AB	First Trust Capital	Parnassus
Aberdeen	Forward	Performance Trust Mutual Funds
Advisors Asset Management	Franklin Templeton	PIMCO
Alger	FS Investments (includes Chiron)	Pioneer
Allianz	Goldman Sachs	Polen Capital
AlphaCentric	Guggenheim	Power Income (W.E. Donoghue)
American Beacon	Harbor Fund	Principal
American Century	Hartford Funds	Prudential
American Funds	Highland	Putnam Investments
Angel Oak	Hood River	Rational Fund
API (Yorktown)	Horizon Investments	Redwood
Artisan Partners	ICON	Russell
AXS Investments	Invesco	Salient
BlackRock	Ivy	Shelton
Buffalo Funds	J.P. Morgan Asset Management	Sierra (Wright Fund)
Calamos	John Hancock Investments	Swan Capital Management
Calvert	Kensington	T. Rowe Price
Carillon	Lazard	Thornburg
Catalyst Funds	Legg Mason Global Asset	TIAA
CBOE Vest	Management	Touchstone
Columbia Threadneedle	LoCorr	Transamerica
Delaware	Lord Abbett	Value Line
Diamond Hill	Madison Funds	Van Eck
DoubleLine	Mainstay (New York Life)	Victory
Dreyfus	MFS Investment Management	Virtus
DWS (Deutsche)	Morgan Stanley	Voya
Eaton Vance	Nationwide	Weitz
Eventide	Natixis Management	Wells Fargo
Federated	Neuberger Berman	Westwood
Fidelity	North Square	William Blair

The following mutual funds participate in the SWM and SWM II NTF Mutual Fund Network:

1290 Funds	American Beacon	Calvert
361 Capital	American Century	Carillon
AB	Angel Oak	Catalyst Funds
Aberdeen	API (Yorktown)	CBOE Vest
Advisors Asset Management	Artisan Partners	Columbia Threadneedle
Alger	AXS Investments	Delaware
Allianz	BlackRock Buffalo Funds	Diamond Hill
AlphaCentric	Calamos	DoubleLine



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Dreyfus	John Hancock Investments	Putnam Investments
DWS (Deutsche)	Kensington	Rational Fund
Eaton Vance	Lazard	Redwood
Eventide	Legg Mason Global Asset	Russell
Federated	Management	Salient
Fidelity	LoCorr	Shelton
First Eagle	Lord Abbett	Sierra (Wright Fund)
First Trust Advisors	Madison Funds	Swan Capital Management
First Trust Capital	Mainstay (New York Life)	T. Rowe Price
Forward	MFS Investment Management	Thornburg
Franklin Templeton	Morgan Stanley	TIAA
FS Investments (includes Chiron)	Nationwide	Touchstone
Goldman Sachs	Natixis Management	Transamerica
Guggenheim	Neuberger Berman	Transparent Value
Harbor Fund	North Square	Value Line
Hartford Funds	Nuveen	Van Eck
Hood River	Pacific Life	Victory
Horizon Investments	Parnassus	Virtus
ICON	Performance Trust Mutual Funds	Voya
Invesco	PIMCO	Weitz
Ivy	Pioneer	Wells Fargo
J.P. Morgan Asset Management	Polen Capital	Westwood
Janus	Principal	William Blair
	Prudential	

LPL also offers an NTF Network for ETFs. Under the ETF NTF Network, certain ETF Product Sponsors direct a Third Party Compensation payment to LPL on behalf of or for the benefit of non-ERISA accounts on SAM I or SAM II that is used exclusively as a credit to defray bona fide transaction charge obligations of the accounts, and LPL waives the transaction charge when the ETF is sold. Alternatively, in exchange for inclusion on the ETF NTF Network, some ETF Product Sponsors pay LPL Third Party Compensation in the form of flat fees or fees billed on Customer Assets as outlined in the Marketing Support Programs section above and/or ticket charge reimbursements in order to make the NTF funds available with no transaction charge.

The ETF Product Sponsors participating in the ETF NTF Network are currently as follows:

Advisors Asset Management	Janus	PIMCO
American Century	John Hancock	Redwood
Amplify	JP Morgan	State Street Global Advisors
First Trust	Mainstay	Van Eck
Franklin Templeton	IndexIQ	Wisdom Tree Asset
Global X	Nuveen	Management
Invesco	PGIM	

Customers should understand that the Third Party Compensation associated with LPL's mutual fund NTF Network and LPL's ETF NTF Network creates a conflict of interest that encourages LPL to place its Customers in more expensive funds and share classes when they have greater revenue sharing payments. In the case of SAM II/SWM II, Customer should further understand that the cost to the financial professional of transaction charges may be a factor that your financial professional considers when deciding which mutual funds to select and whether or not to place transactions in an account. In particular, a financial professional has a financial incentive to select NTF Funds.



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4. **Strategic Wealth Management.** Some mutual fund Product Sponsors pay LPL Third Party Compensation up to 0.15% of Customer Assets on the SWM platform (exclusive of recordkeeping or 12b-1 payments) and as a result benefit from reduced ticket charges. Although Registered Investment Advisors using the SWM I platform do not receive any part of these payments, Registered Investment Advisors that use SWM II benefit from the reduced ticket charges.
5. **Concessions.** LPL receives Third Party Compensation in the form of a concession or placement fee from Product Sponsors in connection with transactions in new issues described below and shares a portion of these payments with its financial professionals.

Financial Products	LPL and Financial Professional Compensation
Fixed Income ⁹	<ul style="list-style-type: none"> Up to 2.00% of the transaction amount
Mutual Funds ¹⁰	<ul style="list-style-type: none"> Between 0.25% and 1% of the transaction amount
Closed-End Funds	<ul style="list-style-type: none"> Up to 4.00% of the transaction amount
Unit Investment Trusts	<ul style="list-style-type: none"> Up to 2.60% of the transaction amount, and Volume concessions and reallowances as disclosed in the applicable Unit Investment Trust ("UIT") prospectus¹¹
Structured Products	<ul style="list-style-type: none"> Up to 3.00% of the transaction amount, and Up to 0.625% of Customer Assets¹²

6. **Recordkeeping.** LPL receives Third Party Compensation from mutual funds for providing recordkeeping and related services to the funds.¹³ In general, LPL receives Third Party Compensation for providing recordkeeping services and therefore has an incentive to recommend mutual funds that pay for these services. In addition, mutual funds that pay for recordkeeping services may carry a reduced ticket charge or no ticket charge on LPL's platforms.¹⁴ In cases where the financial professional is paying the ticket charge,¹⁵ the financial professional is incentivized to select mutual funds with lower ticket charges which will result in Third Party Compensation for LPL. Recordkeeping compensation is as follows:

Product Categories	LPL Recordkeeping Compensation
Mutual Funds	<ul style="list-style-type: none"> Up to 0.30% of Customer Assets, or Up to \$25 per Customer position

Mutual funds that receive recordkeeping services are as follows:

1290 Funds	361 Capital Funds (Investment Managers Series Trust)	Abbey Capital Funds (The RBB Fund, Inc.)
13D Activist Funds (Northern Lights Fund Trust)	AAM-Bahl & Gaynor (Investment Managers Series Trust)	Aberdeen Funds
1919 Funds (Trust for Advised Portfolios)		ABR Funds (Forum Funds II)

⁹ This category includes new issues of certificates of deposit, municipal bonds and other fixed income securities.

¹⁰ This compensation is in connection with transactions for which sales charges are waived (usually for purchases of greater than \$1,000,000) or under other circumstances as described in a fund's offering documents.

¹¹ In certain cases, LPL receives additional payments from a UIT sponsor, also known as volume concessions, based on LPL's aggregate sales volume with such sponsor, which are not shared with your financial professional. From time to time, in addition to any dealer or volume concession, LPL receives a reallowance of the public offering price per unit on units of certain UITs and structured products sold by LPL during the initial offering period.

¹² LPL does not share this compensation with your financial professional.

¹³ These services include establishing and maintaining sub-account records reflecting the purchase, exchange or redemption of shares by each Customer account. These services also include the consolidation of Customers' trades into one daily trade with a fund, which requires LPL to maintain all pertinent individual shareholder information for the fund, including the transaction history necessary to track and process sales charges, annual service fees, and applicable redemption fees and deferred sales charges for each position, as well as other transaction details required for ongoing position maintenance purposes. If LPL does not provide recordkeeping services to a mutual fund family, then fund shares are traded on a networked basis, which means LPL submits a separate trade for each individual customer trade to the fund and, therefore, LPL maintains only certain elements of the fund's shareholder information.

¹⁴ Customers should be aware that some mutual funds offered by LPL may be purchased without a ticket charge by processing the transaction with a check and application sent directly to the mutual fund.

¹⁵ Financial professionals pay for ticket charges on some of LPL's platforms, including LPL's Strategic Asset Management II and Strategic Wealth Management II accounts.



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Absolute Strategies (Forum Funds)
ACM Funds (Northern Lights Fund Trust III)
ACR Funds (Investment Managers Series Trust II)
Adirondack Funds
AdvisorOne Funds
Advisors Preferred Trust
Vaughan Nelson Funds (f.k.a. Advisory Research Funds)
AIA Securities Corp (SIT Funds)
AllianceBernstein (AB)
Allianz Global Investors Fund Management, LLC
AlphaCentric Funds (Mutual Fund Series Trust)
ALPS Portfolio Solutions Distributors, Inc.
Alps Series Trust (Clarkston Funds)
Altegris Funds (Northern Lights Fund Trust)
AmericaFirst Quantitative Funds
American Beacon Funds
American Century Services, LLC
American Funds (AFS)
American Independence Funds
American Pension Investors Trust (API)
AMG Funds
Anfield Capital Management, LLC
Angel Oak Funds Trust
Appleaseed Funds (Ultimus Asset Services, LLC & Pekin Singer Strauss Asset Management, Inc.)
AQR Funds
Aquila Distributors, Inc.
Arbitrage Funds
Ariel Distributors, LLC
Arrow Investments
Trust Artisan Partners
Ashmore Investment Management
Astor Funds (Northern Lights Fund Trust)
Axonic Capital LLC

AXS Funds (Investment Managers Series Trust II)
Azzad Funds
Baillie Gifford
Balter Funds (Northern Lights Fund Trust II)
Barings Funds
Baron Investment Funds Trust
BBH Funds
Beck Mack and Oliver (Forum Funds)
Blackrock Advisors LLC
Blackstone Advisory Partners
Blackstone Funds
Blueprint Fund Management LLC
Bluerock Total Income+ Real Estate Fund
BMO Investment Distributors, LLC
Boston Partners Funds (The RBB Fund Inc.)
Boston Trust Walden Funds
Boyd Watterson (Northern Lights Fund Trust III)
Bramshill Funds (Trust for Advised Portfolios)
Brandes Investment Trust
Bright Rock Funds
Brinker Capital Destinations Trust
Brookfield Investment Funds
Brown Advisory
BTS Tactical Funds (Northern Lights Fund Trust)
Buffalo Funds
Calamos Advisors, LLC
Calvert Investment Management Inc.
Cambiar Funds (Advisors Inner Circle Fund Trust II)
Carillon Funds
Carlyle Tactical Private Credit Fund
Castle Focus Fund (PFS Funds)
Catalyst Funds (Mutual Fund Series Trust)
Causeway Capital Management, LLC.

Cavalier Fund
Cavanal Hill Funds
CBOE Vest Funds
(Commonwealth Fund Services, Inc.)
Cedar Ridge Funds (Investment Managers Series Trust II)
Centerstone Investors Trust
Centre Funds
Champlain Investment Partners, LLC
Charles Schwab Investment Management
Chiron Funds (Advisors Inner Circle Fund III)
CION Ares Management LLC
Clipper Fund, Inc.
Cognios Funds (Alps Series Trust)
Cohen & Steers Capital Management, Inc.
Columbia Management Investment Services Corp
Community Capital Management, Inc.
Conestoga Funds
Congress Funds
Convergence Funds (Managed Portfolio Series/Trust for Professional Managers))
Copeland Trust
Counterpoint Mutual Funds, LLC
Covered Bridge Funds (Northern Lights Fund Trust III)
Crawford Funds (Unified Series Trust)
Credit Suisse Asset Management
CRM Funds
Cromwell Investment Advisers, LLC
Crossmark Distributors, Inc.
Cullen Funds Trust
Dana Investment Advisers, Inc.
Davidson
Davis Selected Advisors
Day Hagan
Dean Investment Associates
Dearborn Partners Rising



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Dividend Fund
Delaware Investments Fund
Services Company
Destra Capital Investments LLC
Deutsche Asset & Wealth
Management
Diamond Hill Fund
Direxion Funds
Domini Funds
Doubleline Funds Trust (Quasar
Distributors, LLC)
Driehaus Securities LLC
Eaton Vance Management
Edgewood Management LLC
Emerald Funds (Financials
Investors Trust)
Empiric Advisors, Inc.
Equinox Funds Trust
Eventide Funds (Mutual Fund
Series Trust)
Evermore Funds Trust
F/m Funds Trust
Federated Securities Corp
Fidelity Investments
Institutional Operations
Company Funds
Fiera Capital Series Trust
First Eagle Funds First
Foundation
First Investors (Foresters
Financial Services)
First Trust Capital
First Trust Series Fund
Firsthand Funds
FMI Funds
Forward Funds
FPA Funds
Frank Funds
Franklin Templeton Investor
Services LLC
Frost Funds (Advisors Inner
Circle Trust II)
FS Series Trust
Fuller and Thayer (Capitol Series
Trust)
FundVantage Trust
Gabelli Funds

Gavekal Funds (Investment
Managers Series Trust)
Gerstein Fisher Funds (Trust for
Professional Managers)
Goldman Sachs
Good Harbor
Gotham Funds (FundVantage
Trust)
GQG Funds
Grandeur Funds (Financial
Investors Trust)
Grant Park (Northern Lights Fund
Trust)
Green Century Capital
Management
Griffin Capital Advisor LLC
Guggenheim Funds (Rydex Fund
Services, LLC)
Guidestone Resource
Management Inc.
Guinness Atkinson Funds
Hancock Horizon Funds
Hanlon Investment Management,
Inc.
Harbor Services Group, Inc.
Harding Loevner Funds, Inc.
Harris Associates
Hartford
HCM Funds (Northern Lights
Fund Trust III)
Heartland Group, Inc.
Heitman Funds (Series Portfolio
Trust)
Hennessey Funds
Highland Funds
Hillman Capital Management
Hodges Funds (Professionally
Managed Portfolios)
Horizon Investments LLC
Hotchkis & Wiley
HSBC Funds
Hundredfold
Icon Distributors Inc.
iM Global Partner US, LLC
Impax Asset Management LLC
Infinity Q Diversified Alpha Fund
Innealta Capital (Gemini Fund
Services LLC)

Integrity Vikings Fund Services
Invesco Investment Services Inc.
Iron Funds (Unified Series Trust)
Ironclad Funds (Investment
Managers Series Trust)
Ivy Funds (Waddell & Reed
Services, LLC)
James Advantage Funds
Janus Funds
Jensen Quality Growth Fund Inc.
JOHCM Funds (Advisers
Investment Trust)
John Hancock Funds
Johnson Mutual Funds
JP Morgan Funds
Kayne Anderson
Kinetic Funds
Kinetics Funds
KKM Funds (Northern Lights
Fund Trust II)
Kopernik Funds (Advisers Inner
Circle II)
Lateef Fund (FundVantage Trust)
Lazard
Leader Funds (Northern Lights
Fund Trust)
Lee Munder Capital Group
Legg Mason Investor Services
LLC
Leuthold Funds, Inc.
Liberty Street Advisors, Inc.
Lisanti Funds (Forum Funds)
LoCorr Investment Trust
Loomis Sayles
Lord Abbett
Lord Asset Management Trust
(Thomas White)
LSV Asset Management
M.D. Sass Funds (Trust for
Professional Managers)
Madison Funds
Mai Funds (Forum Funds)
Mainstay Funds (NYLIM Services)
Manning & Napier
Marketfield Funds (Trust for
Professional Managers)
Masters Funds (Masters' Select
Funds Trust)



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Matthews International Funds	Pacific Life Insurance Company	Riverbridge Funds (Investment
Meeder Funds	Palmer Square Funds	Managers Series Trust)
Merger Fund	(Investment Managers Series	RiverNorth Capital Management,
Meridian Funds	Trust)	LLC
Metropolitan West Funds	Paradigm Capital Management	Riverpark Funds Trust
MFS Service Center, Inc.	Paradigm Funds	RMB Funds
Miller Howard Funds Trust	Parnassus Funds	RQSI Funds (Advisors Inner
Miller Investment Trust	Payden & Rygel Distributors	Circle Fund II)
Mirae Asset Discovery Funds	Pear Tree Funds	Ruane, Cuniiff & Goldfarb L.P.
MMA Praxis Funds	Pension Partners Funds	(Sequoia Funds)
Mondrian Investment Partners	(Managed Portfolio Series)	Russell Investment Company
Limited (Gallery Trust)	Performance Trust Mutual Funds	Salient MF Trust
Morgan Stanley	(Trust for Prof. Managers)	Saratoga Advantage Trust
Morningstar Funds	Phaeacian Partners Datum One	Saratoga James Alpha Funds
Motley Fool Funds (The RBB	Series Trust	Saturna Capital Corporation
Fund)	PIMCO Funds	(Amana Funds)
Nationwide Mutual Funds	Pinnacle Sherman Funds	Schwartz Investment Trust
Natixis (NGAM Distribution LP)	(Northern Lights)	Seafarer Funds
Navigator Funds (Northern	Pioneer Investment Management	Segall Bryant Hamill Funds
Lights Fund Trust)	Poplar Forest Funds	Semper Funds (Advisors Series
Needham Asset Management,	Port Street Funds	Trust)
LLC	Price Asset Management	Seven Canyons Funds (Alps
Neuberger Bergman Investment	Primecap Odyssey Funds	Series Trust)
Advisors LLC	Princeton Funds	SGI (The RBB Fund)
Newfound Research, LLC	Principal Shareholder Services	Shelton Capital Management
North Square Investment Trust	Principal Street (Managed	Shenkman Funds (Advisors Series
Northeast Investors Trust	Portfolio Series)	Trust)
Northern Funds	ProFunds Prospector Funds	Sierra Crest Investment
Northern Lights Fund Trust IV	Prudential Mutual Fund Services	Sierra Funds (Wright Fund
(Anchor Funds)	LLC	Management)
NorthPointe Funds (The	Polen Capital Credit LLC (Alps	Silverpepper Funds (Investment
Advisors' Inner Circle Fund III)	Series)	Managers Trust)
Nuance Funds (Managed	Putnam Management Limited	Skybridge Funds (FundVantage
Portfolio Series/Trust for	Pzena Funds (Advisor Series	Trust)
Professional Managers)	Trust)	Smead Funds (Trust for Prof.
Nuveen Funds	Q3 Funds (Ultimus Managers	Managers)
Oak Associates Funds	Trust)	SouthernSun Funds (The
Oak Ridge Funds (Investment	Quaker Fund	Advisors Inner Circle III)
Mangers Series Trust)	Rational Funds (Mutual Fund and	Sprott Global Resource
Olstein Capital Management	Variable Insurance Trust)	Investments Ltd.
Oppenheimer Funds	Redwood Investment	Spyglass Capital Management
Orinda Asset Management	Management, LLC	Stadion Investment Trust
(Advisors Series Trust)	Reinhart Partners (Managed	Sterling Capital Funds
Osterweis Funds (Professional	Portfolio Series)	SunAmerica Funds
Managed Portfolios)	Resource Alternative Advisor,	Swan Capital Management
Pacific Heights Asset	LLC	Symmetry Panoramic Trust
Management, LLC (Permanent	Resource Real Estate, LLC	Symons
Portfolio Family of Funds)	River Canyon Funds	T. Rowe Price Funds



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Tactical Fund Advisors, LLC
 TCW Investment Management
 The Advisors Inner Circle Fund
 The Chartwell Funds
 The Commerce Funds
 The Dreyfus Corporation
 The Marisco Investment Fund
 The Royce Fund Third Avenue Trust
 Thompson Investment Management, LLC
 Thornburg Investment Management, Inc.
 Thrivent Funds
 TIAA Funds
 Timothy Partners
 Tocqueville Asset Management
 Toews Funds (Northern Lights Funds Trust)
 Toroso Investments LLC
 Tortoise Funds (Managed Portfolio Series)

Touchstone Advisers Inc.
 Towle & Co.
 Transamerica Fund Services, Inc.
 Tributary Funds
 Trillium Funds
 Trust for Advised Portfolios
 Trust for Professional Managers (CrossingBridge)
 Tweedy Browne Fund
 Two Oaks Investment Management LLC
 Two Roads Shared Trust (Holbrook)
 Ultimus Managers Trust (Marshfield Funds)
 US Global Investors Inc.
 USA Mutuals
 USAA Investment Management Company
 Value Line Funds
 Van Eck Securities Corp
 Victory Capital Funds

Virtus Investment Partners
 Voya Fund Services
 W.E. Donoghue
 Wasatch Advisors
 Wavelength Capital Management, LLC Funds
 WCM Funds (Natixis Distribution, L.P.)
 Weiss Multi Strategy Advisers LLC (Series Portfolios Trust)
 Weitz Funds
 Wells Fargo Funds
 Westcore Trust Funds
 Westwood Funds (The Advisors Inner Circle Fund)
 William Blair Funds
 Wilmington Funds
 Wilshire Mutual Funds
 Wisconsin Capital Funds, Inc.
 Zacks Investment

7. **Networking.** LPL performs services for certain Product Sponsors that are necessary for the centralized recordkeeping when LPL acts as the broker-dealer for Customer assets custodied on the books and records of the Product Sponsor. The Product Sponsor may pay LPL Third Party Compensation in the form of a networking fee for these account maintenance and reconciliation services as follows:

Product Categories	LPL Networking Compensation
Mutual Funds	<ul style="list-style-type: none"> Up to 0.15% of Customer Assets, or Up to \$12 per Customer position
Annuities	<ul style="list-style-type: none"> Up to \$6 per Customer position

Product Sponsors that pay a networking fee to LPL are as follows:

Mutual Funds:

Aberdeen
 Alliance Bernstein
 Allianz GI
 Alps Distributors Inc.
 American Beacon
 American Funds
 American Growth Fund
 American Pension Investors Trust
 AMG Funds
 Archer Distributors, LLC
 Ashmore Investment
 Baird Investment Management
 Baron Funds

Burnham Investors
 Capital Investment Group
 CM Fund Advisors
 Cohen & Steers
 Colorado Bond
 Columbia Funds
 Credit Suisse Asset Management
 Davis Selected Advisors
 Deutsche Asset & Wealth Management
 Diamond Hill Fund
 Dreyfus
 Dunham & Associates

Eagle Asset Management
 Eaton Vance
 Emerald Growth Fund
 Fidelity Investments
 First Pacific Advisors
 First Trust Advisors
 Forward
 Franklin Templeton
 Fred Alger Funds
 Fund X Upgrader Fund
 Goldman Sachs
 Guggenheim Funds
 Hartford



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

Highland Funds
Hotchkis & Wiley
Hussman Funds
Invesco
Keeley Investment
Lazard Asset Management
Leader Funds
Madison Funds
Maingate Funds
Mainstay Funds
Manning & Napier
Mirae Asset Global

Nationwide
Natixis
Northern Lights Distributors
Nuveen
Olstein & Associates
Pacific Global Fund
Pacific Life
PIMCO
Pioneer Investment Management
Principal
Putnam Quaker Fund
Rochdale (RIM) Securities

Sun America
Thornburg Securities
Touchstone
Transamerica Capital
U.S. Bancorp Fund Services, LLC
UBS Global Asset Management
Van Eck
Victory Capital
Virtus Investment Partners
Wasmer Schroeder
Wells Fargo Funds
Wilmington

Annuities:

AIG
Allianz
American National
Athene
AXA
Brighthouse Financial (MetLife)
CUNA
Delaware Life
Global Atlantic (Forethought)
Great American Company
Guardian
Hartford Life and Annuity

Integrity/Western and Southern
Jackson National
Knighthead Annuity (offshore)
Lincoln National
Mass Mutual
Nationwide
New York Life
Pacific Life Principal
Prosperity Life/SBLI USA
Protective
Prudential
Reliance Standard

River Source
Sammons
Sanlam (offshore)
Security Benefit
Symetra
Talcott Resolution (The Hartford
Life and Annuity
The Standard
Transamerica
Western & Southern
Western National

8. **Product or Strategy Onboarding Fees.** LPL charges a setup fee to Product Sponsors when adding new investment products or share classes of an investment product to LPL's investment platforms. Third Party Compensation payments for investment products are as follows:

Product Categories	LPL Onboarding Compensation
Mutual Funds	<ul style="list-style-type: none"> Up to \$40,000 per sponsor comprised of: <ul style="list-style-type: none"> Up to \$15,000 as a sponsor level due diligence fee, and Up to \$5,000 per fund to a maximum of \$25,000
Advisory Strategies	<ul style="list-style-type: none"> Up to \$5,000 per strategy model for onboarding. Up to \$5,000 for annual diligence reviews.
Annuities	<ul style="list-style-type: none"> Up to \$100,000 as a technology development fee¹⁶
Alternative Investments	<ul style="list-style-type: none"> Up to \$35,000 for initial products, and Up to \$15,000 for follow-on product offerings or additional share classes
ETFs and Exchange Traded Notes	<ul style="list-style-type: none"> Up to \$15,000 as a sponsor level due diligence fee, and Up to \$7,500 per fund and

¹⁶ LPL typically receives a one-time networking setup onboarding fee as reimbursement for technology-related costs associated with networking and set up on the LPL's annuity order entry trading platform.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

	<ul style="list-style-type: none"> • Up to an additional \$15,000 per product for complex ETPs
Unit Investment Trusts	<ul style="list-style-type: none"> • Up to \$5,000 per trust

9. **Reimbursement for Shareholder Materials.** When LPL delivers mutual fund shareholder reports and proxies to you, LPL is reimbursed by the mutual fund for the delivery costs. The maximum fee that can be charged for delivery is set by New York Stock Exchange rules. If LPL uses a vendor to perform the delivery, the vendor seeks reimbursement from the mutual fund on LPL's behalf and in certain cases remits a portion of the reimbursement to LPL.
10. **Technology Funding.** When LPL incurs technology development related costs associated with the launch or maintenance of a platform, tool or service, LPL sometimes receives reimbursements from Product Sponsors for such costs. Because LPL benefits from Product Sponsors' reimbursements of technology development-related costs, LPL's financial interests are conflicted with its ability to use strictly objective factors when selecting Product Sponsors to make available on the applicable platforms.
11. **Life Insurance.** In addition to the compensation LPL receives for other products offered by insurance Product Sponsors, such as annuities, LPL receives Third Party Compensation from issuers of life insurance (universal, variable universal, whole life, and term) and other insurance contracts available to Customers. The amount of Third Party Compensation varies depending on the issuer, coverage and the premium amount. Financial professionals receive a percentage of the commissions and trailing commissions the insurance company pays to LPL or LPL Insurance Associates, Inc. ("LPLIA"). LPL, LPLIA, and your financial professional may also receive additional Third Party Compensation from issuers whose aggregate sales exceed premium thresholds specified in selling agreements with LPL or LPLIA. The amount of insurance compensation is as follows:

Compensation Type	Compensation Amounts
Upfront Commission	<ul style="list-style-type: none"> • Between 4% to 140% of first-year commissionable premiums
Trailing Commission	<ul style="list-style-type: none"> • Between 0.5% to 15% of commissionable premiums or of the cash value of the life insurance on an annual basis¹⁷
LPL and/or LPLIA Marketing Support Payments	<ul style="list-style-type: none"> • Between 10% to 35% of first-year commissionable premiums

12. **Cash Sweep.** LPL automatically transfers cash deposits, including money waiting to be reinvested such as dividends, incoming cash deposits and money from sell orders, in the Customer's account into an interest bearing account, such as a bank account or a money market fund. LPL offers two FDIC insured sweep programs for most Customers, except for those eligible for the Single Bank Insured Cash Account ("SBICA") sweep programs described below, and money market funds, depending on the Customer's account type. For more information, please see the applicable Insured Cash Account ("ICA"), Deposit Cash Account ("DCA"), or SBICA disclosure booklet or the sweep money market fund prospectus. Depending on interest rates and other market factors, the yields on the ICA, DCA, SBICA and money market sweep fund have been, and may continue in the future to be, lower than the aggregate fees and expenses received by LPL for a Customer's participation in the cash sweep programs. This may result in a Customer experiencing a negative overall investment return with respect to cash in the cash sweep programs. Interest rates under ICA, SBICA or DCA may be lower than the interest rates available if Customers make deposits directly with a bank or other depository institution outside of LPL's brokerage platform or invests in a money market fund or other cash equivalent. Customers should compare the terms, interest rates, required minimum amounts and other features of the ICA, SBICA or DCA program with other types of accounts and investments for cash.

- a. **Insured Cash Account.** LPL offers a service to sweep cash held within customer brokerage and certain advisory accounts into an interest-bearing FDIC insured cash account. Under its agreement with each bank in which LPL deposits customer cash, LPL receives Third Party Compensation from the banks equal to a percentage of the average daily deposit balance in the ICA. Such fees differ among the participating banks depending on the interest rate environment and/or any fee waivers made by LPL. The fee paid to LPL may be at an annual rate of

¹⁷ The commission payment option is selected by the financial professional.



THIRD PARTY COMPENSATION AND RELATED CONFLICTS OF INTEREST

up to an average of 6.00% as applied across all deposit accounts taken in the aggregate; therefore, depending on interest rates and other market factors, on some accounts, fees to LPL may be higher or lower than this average percentage amount. This can result in Customers experiencing a negative overall investment return with respect to cash reserves in the ICA program. Customers have no rights to the amounts paid by the Banks, except for interest actually credited to the Customer account. The Third Party Compensation LPL receives on ICA may be higher than the compensation available to LPL from an alternative sweep investment option. LPL receives Third Party Compensation from each bank into which ICA cash is deposited. For Customers investing through advisory accounts, the fees that LPL receives from the ICA Banks is in addition to the advisory fee that Customers pay LPL and your financial professional. This means that LPL earns two layers of fees on the same cash balances in your LPL advisory account.

In situations where Customer cash balances in ICA exceed the deposit availability at ICA Banks, uninsured cash balances may be placed into an "overflow" Client Cash Account; such balances are considered to be "free credit balances" and represent a direct liability of LPL to Customer. See below for further information about Third Party Compensation generated by cash balances maintained in Client Cash Accounts.

- b. **Deposit Cash Account.** Under the DCA program, each Bank pays Third Party Compensation equal to a percentage of the average daily aggregated omnibus deposit balance. This amount includes the fee for the third-party administrator, LPL's per account fee, and interest payable to participating accounts. Different Banks may pay different amounts. Customers have no rights to the amounts paid by the Banks, except for interest actually credited to the Customer account. However, amounts collected from the Banks during each period, less interest credited, will be allocated on a per-dollar, per-account basis and used to offset each Customer's monthly LPL account fee for providing the sweep services. In addition, part of the payment by the Banks will be used to compensate the Administrator for its services. For its services under the LPL DCA program, including making the platform available, LPL receives a per account fee each month. The maximum fee paid to LPL may be up to \$34.50 per account per month. The monthly fee is based on a fee schedule tied to current Federal Funds Target (FFT) Rate as detailed in the DCA Disclosure Booklet located on lpl.com. The current fee can be found at lpl.com. It is expected that this fee will be recouped from the DCA Program Banks and will not be a fee directly applied to your account. LPL's Third Party Compensation under the DCA Program does not vary, and is not affected by the actual amounts held in the Deposit Accounts or in the Customer's account. In situations where Customer cash balances in DCA exceed the deposit availability at DCA Banks, uninsured cash balances may be placed into an "overflow" money market mutual fund. See below for further information about Third Party Compensation generated by cash balances maintained in the DCA "overflow" money market mutual fund.
- c. **Single Bank Insured Cash Account ("SBICA") Programs.** In a small number of banks through which LPL offers investment services, LPL makes available a SBICA to Customers of the investment program at that bank. A SBICA functions like the ICA sweep program, except that cash deposited into those brokerage accounts is held at only the Bank through which the investment program is offered. Under its agreement with each SBICA bank in which LPL deposits customer cash, LPL receives Third Party Compensation from the banks equal to a percentage of the average daily deposit balance in the respective SBICA. The fee paid to LPL may be at an annual rate of up to an average of 0.50% as applied across all deposit accounts taken in the aggregate; therefore, on some accounts, fees to LPL may be higher or lower than this average percentage amount. Customers have no rights to the amounts paid by the Banks, except for interest actually credited to the Customer account. The Third Party Compensation LPL receives on any SBICA may be higher than the compensation available to LPL from an alternative sweep investment option.
- d. **Money Market Sweep Funds.** For accounts not eligible for ICA or DCA, cash balances can be automatically invested in a money market fund. The money market mutual fund automatic cash sweep program sweeps uninvested cash daily into taxable and tax-exempt money market funds offered by J.P. Morgan Asset Management and Federated Services Company. LPL receives Third Party Compensation of up to 0.16% of Customer Assets invested in J.P. Morgan Asset Management money market funds and up to 0.35% of Customer



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Assets invested in Federated Services Company money market funds. The sweep money market funds generally pay 12b-1 fees higher than other money market funds. The 12b-1 fees and the payer of such fees are set out in the prospectus of the money market fund.

LPL receives Third Party Compensation of up to 0.45% for DCA "overflow" balances that are swept into the Goldman Sachs Asset Management Financial Square Government Fund. The fees and the payer of such fees are set out in the prospectus of the money market fund.

- e. **Client Cash Accounts – ICA Overflow Balances.** LPL makes money on the balances maintained in the ICA overflow mechanism, Client Cash Accounts, depending on how those free credit balances are invested or deposited. Pursuant to Rule 15c3-3, LPL can (i) deposit cash balances into a segregated deposit account at its banks, thereby making interest on the Client Cash Account balances deposited, or (ii) invest the cash balances in securities backed by the full faith and credit of the U.S. government, thereby making money on any yield generated by such securities. The amount LPL will earn from these sources will vary based on market forces and the contracts for deposit arrangements that LPL is able to secure with its banks. LPL may use both or either of these vehicles at its sole discretion. Any amounts LPL receives pursuant to these sources will be reduced by the interest payable to Customers on such balances described above, and further reduced by the cost of borrowing any funds necessary to meet its reserve requirements under Rule 15c3-3. For example, LPL may earn interest or a return by investing in short-term U.S. Government or Agency instruments or by using these balances to fund margin loans to its customers at a lower funding cost than would otherwise be the case.

13. **Float.** As broker-dealer and custodian of its customers' assets, LPL receives Third Party Compensation, sometimes referred to as float, in the form of earnings on LPL's investment of uninvested cash in Customer accounts. Cash typically accumulates in a Customer account because (i) the Customer contributed, deposited or otherwise moved cash into the account, or (ii) there was a sale of securities. LPL also receives float on outstanding checks after they are issued by LPL to a Customer but before the Customer presents the check for payment.
14. **Optimum Funds.** You should be aware that LPL provides services to the Optimum Funds mutual fund family and receives the following Third Party Compensation for such services, in addition to recordkeeping fees. LPL provides investment consulting services to the investment advisor of the Optimum Funds pursuant to a consulting agreement between LPL and Delaware Investments, which services include, but are not limited to, assisting the advisor in determining whether to engage, maintain or terminate sub-advisers for the Optimum Funds. As compensation for these services, LPL receives Third Party Compensation in the form of an annual investment consulting fee of up to 0.22% of fund assets annually from Delaware Investments. Because LPL receives an asset-based fee from the Optimum Funds, it has an incentive to recommend investments in the Optimum Funds.
15. **Non-Cash Compensation.** LPL, LPL employees and financial professionals receive Third Party Compensation from Product Sponsors that is not in connection with any particular Customer. Compensation includes such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, Customer workshops or events, or marketing or advertising initiatives, including services for identifying prospective Customers. Product Sponsors also pay for, or reimburse LPL for the costs associated with, education or training events that may be attended by LPL employees and financial professionals and for LPL-sponsored conferences and events, which may include events under the Sponsorships Programs described above.
16. **Collateralized Lending Arrangements.** LPL offers a program that enables Customers to collateralize certain investment accounts in order to obtain secured loans through banking institutions that participate in the program.

Banking institutions that participate in LPL's Collateralized Lending Program are as follows:

The Bancorp Bank

Goldman Sachs

TriState Capital Bank

LPL receives Third Party Compensation from these participant banks based on the amount of the outstanding loans. Third Party Compensation can be up to 0.75% of the outstanding loan amount. This compensation to LPL varies, and, therefore,



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LPL can earn more or less depending on the bank selected by the Customer. This compensation is a conflict of interest to LPL because LPL has a financial incentive for the Customer to select a bank in the program, and a participating bank that pays LPL more. However, LPL does not share this compensation with its financial professionals, and therefore, a financial professional does not have a financial incentive to recommend one bank over another. LPL's interest in continuing to receive investment advisory or brokerage fees gives LPL an incentive to recommend that Customers borrow money rather than liquidate some of their assets managed by LPL, when it could be in a Customers best interest to sell such assets instead of using them as collateral for a loan. When a Customer pledges assets in an account, the Customer is a borrower and uses the cash and securities in the account as collateral for a loan and pays interest to the bank. Because of LPL's arrangements with the banks participating in the program, Customers may be limited in their ability to negotiate the most favorable loan terms. However, Customers are not required to use the banks in LPL's program, and can work directly with other banks to negotiate loan terms or obtain other financing arrangements. Customers should be aware that LPL's collateralized loan program is one way, among many, for Customers to obtain a secured loan. Advisory Customers should understand that the interest and additional fees paid to the bank in connection with the loan are separate from and in addition to any advisory fees the Customer pays LPL for its advisory services on the account. As an alternative, Customers could pledge securities held in a brokerage account at LPL, under which Customers would pay commissions for securities transactions instead of ongoing fees for investment advice.

17. **Credit Cards.** As part of its cash management services, LPL makes available credit cards for its customers through a partner bank. LPL receives Third Party Compensation from the bank, which includes a flat fee for each new credit card issued through LPL.
18. **Third Party Asset Management Programs (TAMPs).** LPL enters into agreements with third party investment advisers to whom LPL refers Customers, pursuant to which LPL may provide (i) marketing services on behalf of the third party investment advisers to LPL financial professionals; or (ii) data technology services to integrate third party investment adviser account data on LPL's technology systems¹⁸. LPL receives Third Party Compensation payments of up to 0.10% of Customer Assets that it refers to a TAMP. TAMPs that currently pay such fees include Brinker.
19. **Error Correction.** In the event a trade error occurs in an account, and such error is determined to be caused by LPL, LPL will cancel the trade and remove the resulting monetary loss to a Customer from the account. If a trade correction is required as a result of a Customer (e.g., if a Customer does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), LPL will cancel the trade and any resulting monetary loss will be borne by the Customer. In the case of a trade that requires a correction as described above and that results in a monetary gain to the Customer, such gain may be removed from the account and may result in LPL acquiring Third Party Compensation.
20. **Other Fees and Conflicts.** You may be subject to other fees set forth in the schedules, available at https://lplfinancial.lpl.com/disclosures/fee_schedules.htm. Other conflicts of interest can be found in LPL's Form ADV, available at <http://www.adviserinfo.sec.gov>.

¹⁸ Your financial professional does not share in these fees. If LPL acts as a referral agent, the Plan or the Plan's participants being referred to the TAMP or investment advisor firm are required to be provided with a disclosure statement (which must be acknowledged in writing) outlining the referral arrangement and the compensation to LPL.

