

ACCOUNT PACKET

GUIDED WEALTH PORTFOLIOS (GWP)  
PROGRAM BROCHURE

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This program brochure provides information about the qualifications and business practices of LPL Financial (“LPL”). If you have any questions about the contents of this brochure, please contact your LPL financial advisor or LPL at [lplfinancial.adv@lplfinancial.com](mailto:lplfinancial.adv@lplfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about LPL also is available on the SEC’s website at <https://adviserinfo.sec.gov/>.

ITEM 1 COVER PAGE

ITEM 2 MATERIAL CHANGES

The following is a summary of certain changes made to this Brochure from the time of the annual update of the Brochure dated March 31, 2022. The Brochure was updated to reflect that LPL no longer partners with FutureAdvisor to offer the Program and no longer uses FutureAdvisor Algorithms in the Program. In connection with the removal of FutureAdvisor, LPL will no longer offer the “householding” service in GWP that allowed multiple accounts to be managed according to a single investment objective. Item 9 was updated to provide information regarding disciplinary events, involving (i) FINRA sanctions in connection with LPL’s failure to calculate and maintain its required customer reserve; (ii) a consent order with the Texas State Securities board for failure to supervise a broker-dealer agent/investment adviser agent’s sales of structured products; (iii) FINRA sanctions in connection with LPL’s supervisory systems and procedures relating to transmittal of customer funds by wire or check to third parties; and (iv) a settlement with the Massachusetts Securities Division in connection with LPL’s supervision of electronic signature practices at an LPL branch office in Massachusetts. Item 9 was also updated with information about solicitation arrangements in which clients, third parties, or other financial intermediaries solicit clients on behalf of LPL.

ITEM 3 TABLE OF CONTENTS

ITEM 1 COVER PAGE..... 1

ITEM 2 MATERIAL CHANGES ..... 1

ITEM 3 TABLE OF CONTENTS ..... 1

ITEM 4 SERVICES, FEES AND COMPENSATION ..... 1

ITEM 5 ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS..... 8

ITEM 6 PORTFOLIO MANAGER SELECTION AND EVALUATION..... 8

ITEM 7 CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS..... 12

ITEM 8 CLIENT CONTACT WITH PORTFOLIO MANAGERS..... 12

ITEM 9 ADDITIONAL INFORMATION..... 12

ITEM 4 SERVICES, FEES AND COMPENSATION

Services

LPL offers various types of advisory services and programs, including wrap fee programs, mutual fund asset allocation programs, an advisor-enhanced digital advice program, advisory programs offered by third party investment advisor firms, financial planning services, and retirement plan consulting services. This Brochure provides a description of the advisory services offered under LPL’s Guided Wealth Portfolios (“GWP”) program. LPL’s advisory services are made available to clients primarily through



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

individuals associated with LPL as investment advisor representatives ("IARs"). For more information about the IAR providing advisory services, client should refer to the Brochure Supplement for the IAR. The Brochure Supplement is a separate document that is provided by the IAR along with this Brochure before or at the time client engages the IAR. If client did not receive a Brochure Supplement for the IAR, the client should contact the IAR or LPL at [lplfinancial.adv@lplfinancial.com](mailto:lplfinancial.adv@lplfinancial.com). IARs are required by applicable rules and policies to obtain licenses and complete certain training in order to recommend certain investment products and services. You should be aware that your IAR, depending on the licenses or training obtained, may or may not be able to recommend certain investments, models, programs or services. In addition, your IAR may be located at a financial institution that does not offer certain products, investments, models, programs or services. Please ask your IAR or Advisor whether any limitations apply. For more information about LPL's advisory services and programs other than GWP, please contact your IAR or Advisor for a copy of a similar brochure that describes such service or program or go to <https://adviserinfo.sec.gov/>.

GWP also permits clients to select a third party investment advisor firm ("Advisor"), in lieu of an IAR, to provide the advisory and consulting services described in this Brochure. For more information about the third party investment advisor firm providing advisory services, please contact Advisor for a copy of a similar brochure.

LPL is also a broker-dealer registered with the Financial Industry Regulatory Authority ("FINRA"), and an IAR or individuals of Advisor, as applicable, also may be registered with LPL as a broker-dealer registered representative. Therefore, an IAR or individuals of Advisor may be able to offer a client both investment advisory and brokerage services. Before engaging with an IAR or Advisor, clients should take time to consider the differences between an advisory relationship and a brokerage relationship to determine which type of service best serves the client's investment needs and goals. All recommendations regarding advisory accounts will be in an advisory capacity, and any recommendations regarding any brokerage account a client opens with LPL will be in a brokerage capacity, unless a client is expressly told otherwise. Clients should speak to the IAR or Advisor to understand the different types of services available through LPL. Not all LPL IARs have access to all products and services.

In addition, as described below, the Program is made available through a web-based portal, and communications concerning the Program are intended to occur primarily through electronic means (including but not limited to, through email communications or through such portal), although an IAR or Advisor, as applicable, will be available to discuss investment strategies, objectives or the account in general in person or via telephone. Therefore, the Program differs from more traditional advisory relationships in which an IAR or Advisor has more frequent personal interactions with a client. Potential clients should consider whether GWP will provide the type of advisory relationship they desire.

The Program offers clients the ability to participate in a centrally managed investment program, which is made available to users and clients through LPL's Account View, a web-based, interactive account management portal ("Account View") and through IAR. The Program generates investment recommendations based upon model portfolios constructed by LPL and selected for the account as described below (such model portfolio selected for the account, the "Model Portfolio").

A preview of the Program (the "Proposal Tool") is provided to help users determine whether they would like to become advisory clients and receive ongoing financial advice from LPL by enrolling in the advisory service (the "Advisory Service"). The Proposal Tool and Advisory Service are described in more detail below. Users of the Proposal Tool are not considered to be advisory clients of LPL or the IAR or Advisor (as applicable), do not enter into an advisory agreement with LPL or the IAR or Advisor (as applicable), do not receive ongoing investment advice or supervisions of their assets, and do not receive any trading services.

IARs may, in their sole discretion and as agreed from time to time with clients, provide financial planning or financial consulting services to clients in connection with the program at no additional cost. IARs may also require clients to enter into a separate agreement with an agreed upon fee for financial planning or financial consulting services. The scope and duration of financial planning and consulting services varies, will generally be agreed upon at the time the IAR provides the services, and may include comprehensive financial planning or consulting on a particular issue such as retirement planning, education planning,



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

estate planning, cash flow/budget planning, risk management planning, personal wealth planning, tax planning, business planning, investment planning/asset allocation, or other planning as needed. Financial planning and consulting may or may not include a written, customized financial plan.

#### Features of the Proposal Tool

Users of the Proposal Tool (each, a “user”) agree to a terms of use (“Terms of Use”) and complete an investor profile. Users must select from one of the following goals for each account: retirement (“Retirement Goal”), major purchase (“Major Purchase Goal”), or general investing (“General Investing Goal”). Based on the investor profile completed, the Proposal Tool generates sample asset allocation recommendations (“Sample Recommendations”).

The Proposal Tool provides Sample Recommendations that may assist users in determining whether to utilize the Advisory Service. The Proposal Tool is intended to be used for educational and informational purposes only. The Proposal Tool does not provide comprehensive financial planning and is not intended to constitute legal, financial or tax advice. To use the Proposal Tool, users are responsible for providing information about, among other things, their goals, age, risk tolerance, and investment horizon. The Proposal Tool is only one of many tools that users may use as part of a comprehensive investment analysis process. Users should not rely on the Proposal Tool as the sole basis for investment decisions.

Although LPL is an investment adviser and broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Authority, the Proposal Tool does not establish an investment advisory contract or relationship between you and LPL or IAR. The scope of any investment advisory relationship with LPL begins when users enroll in the Advisory Service. The output that users receive by using the Proposal Tool, including the Sample Recommendations, may differ materially from the advice users would receive as an advisory client of LPL. LPL does not provide ongoing investment management or trading services for assets of users of the Proposal Tool, does not make any determination as to whether the website through which the Program is accessed or the Proposal Tool is appropriate for any user, cannot access any assets in any accounts of users, does not place any trades on behalf of users of the Proposal Tool, and does not provide ongoing supervision of assets of users of the Proposal Tool.

#### Features of the Advisory Service

Investors participating in the Advisory Service (“clients” and each, a “client”) complete an account application (the “Account Application”) and enter into an account agreement (the “Account Agreement”) with LPL and IAR or Advisor (as applicable). As part of the account opening process, clients are responsible for providing complete and accurate information regarding, among other things, their goal for the account, age, risk tolerance, and investment horizon (collectively, “Client Profile”). LPL and IAR or Advisor (as applicable) rely on the information in the Client Profile in order to provide services under the Program, including but not limited to, determination of suitability of the Program for clients. Based on the Client Profile, LPL selects an appropriate investment allocation track (“Investment Allocation Track”) and model portfolio (“Model Portfolio”) for a client. The IAR or Advisor (as applicable) is required to review and accept the account, including the Investment Allocation Track and Model Portfolio, prior to account opening. The Model Portfolios have been designed and are maintained by LPL Research (the “Portfolio Strategist”) and include a list of exchange-traded funds (“ETFs”) holdings and may in the future include open-end mutual funds (“Mutual Funds”) holdings (collectively, “Program Securities”), and include relative weightings and a list of potential replacement securities for tax harvesting purposes. LPL Research currently serves as the sole Portfolio Strategist and does not charge a fee for its services. Only one Model Portfolio is permitted per account.

As a client approaches the Retirement Age or the specified date of the major purchase, LPL will automatically adjust the client’s asset allocation annually based upon the client’s associated investment allocation track (described below under “LPL as Portfolio Strategist”). For the Major Purchase Goal, after reaching the specified date of the major purchase, LPL will automatically allocate up to 30% of the account to cash, unless the client extends the timing for the major purchase. For the General Investing Goal, the client’s asset allocation generally remains static, subject to rebalancing and tax loss harvesting as described below. The Investment Allocation Track selected for the account seeks to achieve an overall investment objective for the entire account and may be inconsistent with a particular holding and the account’s performance at any time and may be inconsistent with other asset



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

allocations suggested to client by LPL or IAR or Advisor (as applicable) prior to client entering into the Account Agreement. The Investment Allocation Tracks are designed as long-term goals for the account, and asset withdrawals may impair the achievement of client's investment objectives. A Client Profile that includes a conservative Investment Allocation Track over a long-term investment horizon may result in the selection of riskier investments than would be selected based on the same conservative Investment Allocation Track but over a shorter-term investment horizon. Clients should contact the IAR or Advisor, as applicable, if they believe the Investment Allocation Track does not appropriately reflect the Client Profile.

By executing the Account Agreement, clients authorize LPL to have discretion to buy and sell Program Securities in accordance with the Model Portfolio and to liquidate previously purchased non-model securities that are transferred into the account. Mutual Funds and ETFs that are not Program Securities or that are not included within the Model Portfolio selected for the client's account will not be purchased for the account. LPL has full discretion to invest according to the Model Portfolio. LPL expects to closely track the Model Portfolios, applying discretion only to address particular account issues, including tax loss harvesting, short-term gain avoidance, cash inflows and outflows, and investment restrictions placed on the account. LPL may also deviate from the Model Portfolios in smaller accounts, in which it is not possible or impractical to be invested in all of a Model Portfolio's holdings.

In addition, uninvested cash may be invested in money market funds, the Multi-Bank Insured Cash Account ("ICA") or the Deposit Cash Account ("DCA"), as applicable, as described in the Account Agreement. Dividends paid by the Program Securities in the account will be contributed to the cash allocation and ultimately reinvested into the account based on the Model Portfolio once the tolerance within cash allocation is surpassed.

Pursuant to the Account Agreement, client authorizes LPL to perform tax harvesting based on the guidelines LPL establishes for the Program, on a systematic and periodic basis. LPL will perform tax loss harvesting only when total account unrealized losses and individual positions available losses each exceed thresholds set by LPL for the Program. LPL will seek to re-invest proceeds from tax loss harvesting into a substitute Program Security for the 30-day period from the initial sale of the harvested security, but will hold such proceeds in cash if proceeds cannot be reinvested into a substitute Program Security. In implementing the Investment Allocation Track or processing client requests, including withdrawal requests, LPL may determine the securities for liquidation based in-part on avoiding short-term gain realization.

During the term of the Account Agreement, LPL will perform a daily review of the account to determine if rebalancing is appropriate based on tolerance thresholds established by LPL. The account will be rebalanced following a rebalancing review if the Account has available cash for investment and at least one of the account positions, including cash, is outside LPL's set tolerance thresholds, subject to a minimum transaction amount established by LPL. LPL will also perform an annual rebalancing of the Account if Account positions are outside of LPL's set tolerance thresholds. In addition, LPL may review the account for rebalancing in the event that a Model Portfolio is changed. LPL may delay placing rebalancing transactions for non-qualified accounts by a number of days, to be determined by LPL, in an attempt to limit the tax treatment of realized short-term gains for any position being sold. In addition, trading in the account at any given time is also subject to certain conditions, including but not limited to, conditions related to trade size, compliance tests, the target cash allocation and allocation tolerances. LPL, the IAR or Advisor (as applicable), and clients cannot alter the rebalancing frequency.

IAR or Advisor (as applicable) is responsible on an ongoing basis as investment advisor and fiduciary for the client relationship, including for recommending the Program to the client; providing ongoing monitoring of the Program, the performance of client accounts, and the services of LPL; determining initial and ongoing suitability of the program for clients; reviewing clients' suggested portfolio allocations; reviewing any change in Investment Allocation Track due to changes clients make to their Client Profile; answering questions regarding the Program, assisting with paperwork and administrative and operational details for accounts; and being available to clients to discuss investment strategies, changes in financial circumstances, objectives or accounts generally in person or via telephone. IAR or Advisor (as applicable) may also recommend other suitable investment programs.



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

Clients may make cash additions to an account and may withdraw account assets at any time, subject to meeting the required account minimum balance of \$5,000 and certain other conditions described in the Account Agreement. Liquidation requests in connection with withdrawals, and changes to the Model Portfolio or Investment Allocation Track selected may take up to 5 business days to process, and, in certain circumstances, may take longer to allocate assets. Clients may also fund an account with previously purchased, non-model securities. Clients authorize LPL in the Account Agreement to liquidate previously purchased, non-model securities as soon as reasonably practicable. In some circumstances, LPL will take into consideration the tax implications of realized gain and loss exposure of liquidating previously purchased, non-model securities when effecting liquidations. The Program is designed as a long-term investment vehicle and asset withdrawals may impair the achievement of client's investment objectives.

In the Advisory Service of GWP, LPL is appointed by each client as custodian of account assets and broker-dealer with respect to processing securities transactions for the accounts. LPL also provides administrative services, such as performance reporting, to clients. LPL may aggregate transactions with other clients to improve the quality of execution.

#### Fee Schedule

Users of the Proposal Tool do not pay any fees or expenses. Clients of the Advisory Service pay the following fees (collectively, the "Account Fee"):

**Advisor Fee.** The Advisor Fee is an annual fee for the investment advisory services of IAR or Advisor, as applicable, that is set out in the Account Application. The Advisor Fee is a straight percentage based on the value of all assets in the account, including cash holdings. The Advisor Fee will not exceed 1.00%. The Advisor Fee is negotiable between the client and the IAR or Advisor, as applicable, and is shared between LPL and the IAR or Advisor. LPL shares up to 100% (typically between 90% and 100%) of the Advisor Fee with the IAR or Advisor based on the agreement between LPL and the IAR or Advisor. A portion of the Advisor Fee to an IAR may be paid by the IAR to his or her LPL branch manager or another LPL representative for supervision or administrative support. There is a conflict of interest when a branch manager receives a portion of the Account Fee for supervision because the fee affects his or ability to provide objective supervision of the IAR.

**LPL Program Fee.** Clients will pay a fee of 0.35% for the investment advisory, administrative, trading and custodial services of LPL.

#### How the Account Fee is Charged

LPL deducts the Account Fee and other fees and charges associated with a GWP account from the account. LPL calculates and deducts the Account Fee in the method described in the Account Agreement. Alternative payment methods that may be offered in other advisory platforms are not available in GWP.

#### Payment in Advance and Refund of Pre-Paid Fees

LPL deducts the Account Fee quarterly in advance. For purposes of calculating the quarterly Account Fee and providing performance information, the account quarter will begin on the first day of the month in which the account is accepted by LPL. The initial Account Fee is deducted at the end of the first quarter in which the account is accepted and will include the prorated amount for the initial quarter. Subsequent Account Fees will be assessed at the beginning of each quarter thereafter and will be based on the value of the account assets under management as of the close of business on the last business day of the preceding quarter (as valued by an independent pricing service, where available, or otherwise in good faith as reflected in Client's account statement) and based on the fee rate in effect at the time of assessment. At the time of a subsequent Account Fee assessment, the Account Fee will be adjusted for deposits and withdrawals during the prior quarter pro rata based on the asset value of the transaction and based on the fee rate in effect at the time of the assessment. If there is a change in the Account Fee rate negotiated between IAR and Client during the quarter, the effective date of any increase or decrease will be at the beginning of the next quarterly cycle.

If the Account Agreement is terminated before the end of the quarterly period, LPL will pay the client a pro-rated refund of any pre-paid quarterly Account Fee based on the number of days remaining in the quarter after the termination date. However, if



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

the account is closed within the first six months by the client or as a result of withdrawals that bring the account value below the required minimum, LPL reserves the right to retain the pre-paid quarterly Account Fee for the current quarter in order to cover the administrative costs of establishing the account (for example, the costs related to transferring positions in and out of the account, data entry in opening the account, and re-registration of positions).

#### Other Types of Fees and Expenses of LPL

In addition to the Account Fee, clients also pay LPL other additional miscellaneous administrative or custodial-related fees and charges that apply to a GWP account. LPL notifies clients of these charges at account opening and makes available a current list of these charges on its website at [lpl.com/disclosures.html](http://lpl.com/disclosures.html). These fees include, for example, a small account fee each quarter for accounts with balances under \$10,000 and an account termination fee for processing a full account transfer to another financial institution. These miscellaneous fees are not directly based on the costs of the transaction or service by LPL, may include a profit to LPL, and certain of the fees may be lowered or waived for certain clients. These fees are subject to change at the discretion of LPL. Clients are notified of these charges and any changes through information provided with their periodic statements. These fees and charges shall continue until thirty (30) days after LPL has notified client in writing of any change in the amount of the fees or charges applicable to the account, at which time the new fees or charges will become effective unless client notifies LPL in writing that the account is to be closed.

#### Fees Charged by Third Parties

There are other fees and charges that are imposed by third parties other than LPL that apply to investments in GWP accounts. Some of these fees and charges are described below. In GWP, assets are invested in Model Portfolios that currently are comprised of ETFs and may include mutual funds in the future, and, therefore, there are two layers of advisory fees and expenses for those assets. As a shareholder of a fund, Clients will pay an advisory fee to the fund manager and other expenses charged by the fund. In the case of mutual funds that are funds of funds, there could be an additional layer of fees, including performance fees that vary depending on the performance of the fund. Clients will also pay LPL and IAR or Advisor, as applicable, the Account Fee with respect to assets invested in ETFs and mutual funds. The ETFs and mutual funds available in the Program can be purchased directly outside of the Program. Therefore, clients could generally avoid an additional layer of fees by not using the advisory services of LPL and IAR or Advisor and by making their own decisions regarding the investment.

If client transfers into a GWP account a previously purchased mutual fund, and there is an applicable contingent deferred sales charge on the fund, client will pay that charge when the mutual fund is sold. If the account is invested in a mutual fund that charges a fee if a redemption is made within a specific time period after the investment, client will be charged a redemption fee. Depending on the share class and fee structure of the previously purchased mutual fund, LPL can receive fees such as 12b-1 fees, recordkeeping fees and revenue sharing from the previously purchased mutual fund until the position is liquidated and subsequently invested according to the GWP model. If a mutual fund has a frequent trading policy, the policy can limit a client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits or tax harvesting). Decisions regarding the sale of mutual funds in an account may be made by LPL without regard to whether a client will be assessed a redemption fee. Clients can find more information regarding the fees and expenses of an ETF or mutual fund in the fund's prospectus, which is available upon request from the IAR or Advisor, as applicable, or directly from the fund.

When transferring securities into a GWP account, client should be aware that certain securities are not eligible for the account. In such case, the securities may be rejected, sold after the transfer, or moved to a brokerage account. Note that when an ineligible security is transferred into an account and subsequently sold or moved to a brokerage account, the advisory fee will be charged on such asset for the period of time the security was held in the account.

Client should be aware that previously purchased, non-model securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. If client has paid a commission on the purchase of a security in an LPL brokerage account within up to two years of the transfer of the security into the account, client may be entitled to a credit for a portion of the Account Fee.





## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

After transfer into a GWP account, client should understand that an advisory fee will be charged based on the total assets in the account, including the transferred securities. When transferring securities into an account, client should consider and speak to IAR about whether:

- a commission was previously paid on the security;
- client wishes for the security to be managed as part of the account and be subject to an advisory fee; or
- client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

In the future, for Model Portfolios consisting of mutual funds, LPL intends to select only no-load and load-waived mutual funds. In some cases, a mutual fund in GWP will charge shareholders an asset based sales charge or service fee (e.g., 12b-1 fee) that is paid to LPL. Any 12b-1 fees paid to LPL by mutual funds (other than the cash sweep money market funds ("Sweep Funds") described in the section of Item 9 labeled "Participation or Interest in Client Transactions") are credited to the client's account.

Clients also incur charges imposed by third parties or LPL in connection with investments made through their accounts, including, but not limited to, taxes and charges required by law or imposed by exchanges or regulatory bodies. For example, an industry-wide charge mandated by a regulator applies to sales of certain securities. The amount of this regulatory fee may vary over time, and because variations might not be immediately known to LPL, the amount may be estimated and assessed in advance. To the extent that such estimated amount differs from the actual amount of the regulatory fee, LPL retains the excess. These charges will be reflected on transaction confirmations and/or periodic statements.

#### Important Things to Consider About Fees on a GWP Account

- The Account Fee is a wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. Clients do not pay a commission or transaction charge to LPL for the execution of transactions in the account. The Account Fee may cost the client more than purchasing the program services separately, for example, paying an advisory fee plus commissions or transaction charges to a broker-dealer for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the:
  - type and size of the account
  - type of securities in the Model Portfolio (currently ETFs and possibly mutual funds in the future)
  - historical and or expected size or number of trades for the account, and
  - number and range of supplementary advisory and client-related services provided to the client.
- The Account Fee may be higher than the fees charged by other investment advisors for similar services. Clients could generally pay a lower advisory fee for investment advisory services through other investment advisers, including algorithm-driven, automated ("robo") providers. However, clients using other robo services will forgo opportunities to utilize LPL-constructed model portfolios or to work directly with a financial advisor. In addition, the Account Fee may be higher than fees charged by other advisors, particularly if the Advisor Fee component of the Account Fee is at or near the maximum fee set out above. The IAR or Advisor, as applicable, is responsible for determining the Advisor Fee to charge each client based on factors such as total amount of assets involved in the relationship and the number and range of supplementary advisory and client-related services to be provided to the account. Clients should consider the level and complexity of the advisory services to be provided when negotiating the Advisor Fee with IAR or Advisor.
- The investment products available to be purchased in the Program can be purchased by clients outside of a GWP account, through broker-dealers or other investment firms not affiliated with LPL.
- Clients should consider the impact of fees and expenses on their investment portfolio, as described in the informational brochure titled "How Fees and Expenses Affect Your Portfolio" on [lpl.com/disclosures.html](http://lpl.com/disclosures.html) under "Investor Regulatory & Educational Resources."



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

#### ITEM 5 ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

The Program is available for individuals (individually or jointly with another person) and their traditional individual retirement accounts ("IRAs"), Roth IRAs, and owner-only Simplified Employer Pension IRAs where the only eligible participants of the SEP IRA are the business owners and their spouses. Employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") ("ERISA Plans") (including SEP IRAs for employees other than business owners and their spouses) are not eligible to participate in the Program. Participation in the Program is subject to LPL's discretion, and LPL may prohibit any person from participating for any reason or no reason at all.

Use of the Proposal Tool is governed by the Terms of Use. For the avoidance of doubt, the Advisory Service will be provided under and governed by the Account Agreement entered into at the time of enrollment.

Use of the Advisory Service is governed by the Account Agreement, which may be terminated by any party effective upon written notice to the other parties or by client calling the operational support desk, as set forth in the Account Agreement and as described below in the event certain minimums are not maintained. In the event that a client's country of residence or citizenship status changes, such notification to LPL as required under the Account Agreement may result in termination of his or her account by LPL if LPL does not service accounts in the new jurisdiction. In addition, if a client revokes his or her consent to electronic delivery of communications, such revocation will be deemed to be a notice from the client to terminate his or her account. Once an account is terminated, it cannot be reinstated, and it will no longer trade. As further described in the Account Agreement, any amounts remaining in the account generally will be distributed to client or liquidated based on the client's instructions. Promptly upon termination, accounts will be deactivated. In a deactivated account, no advisory fees are charged, and LPL and IAR or Advisor (as applicable) have no responsibility to provide ongoing investment advice.

In order to be a client of the Advisory Service, LPL requires a minimum asset value of \$5,000 for a Program account to begin being managed. In certain instances, LPL will permit a lower minimum account value. Note that an account will not be invested according to a Model Portfolio until the applicable minimum for the Model Portfolio and allocation has been reached. If LPL has not received all required forms in good order within 45 days from the day a client submits its Account Application, LPL will discard the Account Application and terminate the account immediately. In addition, if the account has not reached the minimum acceptable value of \$5,000 within 45 days of submission of all required forms in good order, LPL will terminate the account immediately. If the account value falls below \$4,000 as a result of client withdrawals or otherwise, the account will be deactivated 30 days from the date the account value first fell below \$4,000 if the value of the account remains below \$4,000 at the end of the 30-day window. In a deactivated account, no advisory fees are charged, and LPL and IAR or Advisor, as applicable, have no responsibility to provide ongoing investment advice. Withdrawals from the account may be made to the extent that the account value does not fall below \$5,000. Withdrawal requests for accounts with a value of \$5,000 or less will result in account deactivation.

#### ITEM 6 PORTFOLIO MANAGER SELECTION AND EVALUATION

In GWP, the client selects the IAR or Advisor. Each IAR is generally required to possess a FINRA Series 65 or 66 license (to the extent required). For more information about the IAR managing the account, client should refer to the Brochure Supplement for the IAR, which client should have received along with this Brochure at the time client opened the account. For more information about the third party investment advisor firm providing advisory services, clients should refer to the Advisor's Form ADV brochure or contact the Advisor for more information.

LPL makes available Model Portfolios designed by LPL in GWP. LPL has discretionary authority to implement trades in GWP.

##### **LPL as a Portfolio Strategist**

In GWP, clients invest in Model Portfolios designed by LPL Research. LPL Research provides various types of advisory services. LPL Research provides research recommendations on asset allocation and ETFs and mutual funds. LPL Research provides investment advice on ETF and mutual fund selection and allocation through other LPL advisory programs, such as Optimum Market Portfolios, Personal Wealth Portfolios and Model Wealth Portfolios. LPL Research also reviews and recommends outside portfolio management firms for LPL's separately managed account wrap program, Manager Select.





## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

Based upon a client's risk tolerance as indicated in the Client Profile, the client is assigned an investment allocation track (currently conservative, moderate or aggressive) for a Retirement Goal or a Major Purchase Goal, the purpose of which is to slowly rotate the client's equity exposure allocation to fixed income exposure and cash over time. LPL Research created these tracks using academic research on optimal retirement allocations, the industry averages as calculated by Morningstar for the target date fund universe, and input from other third parties.

Within the applicable allocation track and based upon either a client's chosen Retirement Age in the Client Profile or the desired date of a major purchase, as applicable, the client will be assigned a Model Portfolio and one of five of LPL's standard investment objectives:

- *Income with capital preservation.* Designed as a longer term accumulation account, this investment objective is considered generally the most conservative. Emphasis is placed on generation of current income with minimal risk of capital loss. Lowering the risk generally means lowering the potential income and overall return.
- *Income with moderate growth.* This investment objective emphasizes generation of current income with a secondary focus on moderate capital growth.
- *Growth with income.* This investment objective emphasizes modest capital growth with some focus on generation of current income.
- *Growth.* This investment objective emphasizes achieving high long-term growth and capital appreciation. There is little focus on generation of current income.
- *Aggressive growth.* This investment objective emphasizes aggressive growth and maximum capital appreciation, with no focus on generation of current income. This objective has a high level of risk and is for investors with a longer timer horizon.

For the General Investing Goal, the client is assigned one of the Investment Allocation Tracks (currently, conservative, moderate conservative, moderate, moderate aggressive or aggressive) and a Model Portfolio based upon the client's risk tolerance as indicated in the Client Profile. In the General Investing Goal, the client's asset allocations generally remain static, subject to rebalancing and tax loss harvesting as described below.

It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable. LPL Research does not charge a fee for its Model Portfolios. IAR or Advisor (as applicable), and clients cannot change or customize the Model Portfolios.

#### Types of Investments and Risks

The Model Portfolios include ETFs and may include mutual funds in the future. Investing in securities involves the risk of loss that clients should be prepared to bear. Described below are some risks associated with investing and with some types of investments that are available in the Program. Although LPL, the IAR or Advisor (as applicable) will not make any investment decisions for, or engage in any trading activity on behalf of, users of the Proposal Tool, the investment risks described below are generally applicable to the information provided to users of the Proposal Tool.

- *Market Risk.* This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- *Interest Rate Risk.* This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or fixed income fund with a shorter duration.
- *Credit Risk.* This is the risk that an investor (could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations).
- *Liquidity Risk.* This is the risk that an investor would not be able to sell or redeem an investment quickly, or would not be able to sell or redeem an investment quickly without significantly affecting the price. Liquidity risk is heightened when markets are distressed. Generally, alternative investments have higher liquidity risk than equities, fixed income securities or mutual funds or ETFs.



## GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

- **Issuer-Specific Risk.** This is the risk that the value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.
- **Investment Company Risk.** To the extent a client account invests in ETFs or other investment companies, its performance will be affected by the performance of those other investment companies. Investments in ETFs and other investment companies are subject to the risks of the investment companies' investments, as well as to the investment companies' expenses. If a client account invests in other investment companies, the client account may receive distributions of taxable gains from portfolio transactions by that investment company and may recognize taxable gains from transactions in shares of that investment company, which would be taxable when distributed.
- **Concentration Risk.** To the extent a client account concentrates its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country or region, the overall adverse impact on the client of adverse developments in the business of such issuer, such industry or such government could be considerably greater than if they did not concentrate their investments to such an extent.
- **Sector Risk.** To the extent a client account invests more heavily in particular sectors, industries, or sub-sectors of the market, its performance will be especially sensitive to developments that significantly affect those sectors, industries, or sub-sectors. An individual sector, industry, or sub-sector of the market may be more volatile, and may perform differently, than the broader market. The several industries that constitute a sector may all react in the same way to economic, political or regulatory events. A client's account performance could be affected if the sectors, industries, or sub-sectors do not perform as expected. Alternatively, the lack of exposure to one or more sectors or industries may adversely affect performance.
- **Exchange-Traded Funds (ETFs).** ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.
- **Tax-Loss Harvesting.** The tax-loss harvesting feature of the Advisory Service involves a variety of risks. You should confer with your personal tax advisor regarding the tax consequences of investing with the Program and engaging in the tax-loss harvesting strategy, based on your particular circumstances. You and your personal tax advisors are responsible for how the transactions in your account are reported to the IRS or any other taxing authority. Neither LPL nor the IAR or Advisor (as applicable) assumes any responsibility to you for the tax consequences of any transaction. The Program's tax-loss harvesting strategy is not intended as tax advice, and neither LPL nor the IAR or Advisor (as applicable) represents in any manner that the tax consequences described will be obtained or that the Program's investment strategy will result in any particular tax consequence. The tax consequences of this strategy are complex and may be subject to challenge by the IRS. This strategy was not developed to be used by, and it cannot be used by, any investor to avoid penalties or interest. You should be aware that if you and/or your spouse have other taxable or non-taxable accounts, and you hold in those accounts any of the securities (including options contracts) held in your GWP account, you cannot trade any of those securities 30 days before or after the Program account trades those same securities as part of the tax-loss harvesting strategy to avoid possible wash sales and, as a result, a nullification of any tax benefits of the strategy. For more information on the wash sale rule, please read IRS Publication 550. In addition, when LPL replaces investments with "similar" investments as part of the tax-loss harvesting strategy, it is a reference to investments that are expected, but are not guaranteed, to perform similarly and that might lower an investor's tax bill while maintaining a similar expected risk and return on investor's portfolio. Expected returns and risk characteristics are no guarantee of actual performance.

In addition to the risks described above, the Program involves certain additional risks due to its reliance technology systems.



## GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

- *Reliance on Electronic Communications and Delivery.* Both the Proposal Tool and Advisory Service are primarily online services, and communications concerning the Program are intended to occur primarily through electronic means (including but not limited to, through email communications or through Account View, although the IAR or Advisor, as applicable, will be available to discuss investment strategies, objectives or the account in general in person or via telephone. Therefore, the Program differs from more traditional advisory relationships in which an IAR or Advisor has more frequent personal interactions with a client. Persons looking for more personal communications should consider whether the Proposal Tool or Advisory Service, as applicable, will meet their communication preferences. As set forth in the Terms of Use or the Account Agreement, as applicable, users and clients consent to the electronic delivery of all current and future Form ADVs, brochure supplements, privacy notices, prospectuses and offering documents, tax forms and other legal and regulatory notices, disclosures, reports and other communications, including delivery through Account View, to your e-mail address of record or to such other password-protected website as LPL may designate.
- *Investment Horizon.* The Retirement Goal and the Major Purchase Goal are only appropriate for investors with medium- to long-term investment horizons, before such investors plan to access assets that are invested pursuant to the Program. If investors need access to the assets in their accounts at any point prior to the end of the investment horizon, the prices at which these assets are liquidated may cause them to experience a material loss and will negatively compromise the ability of LPL to help them meet their investing goals.
- *Reliance on Information Provided by User or Client; Protecting Your Account.* LPL and the IAR or Advisor (as applicable) provide advice and recommendations based on the information you provide to us regarding your investment objectives, financial condition, income, other investments, and all other information requested of you when using the Proposal Tool or becoming a client of the Advisory Service. If a user or client were to provide LPL and the IAR or Advisor with incomplete or inaccurate information, such omissions or inaccuracies could materially impact the quality and applicability of recommendations of LPL or the IAR or Advisor. In addition, users and clients are responsible for monitoring and updating information provided in the event of changes (e.g., contact information or life event changes, such as a change to Retirement Age), that could impact the recommendations made by the Program. You are solely responsible for additions to and withdrawals from your account and for maintaining the confidentiality of any password you select for your account. You are required to notify LPL and the IAR or Advisor in the event you become aware of unauthorized use of your account or any other security breach related to your use of the Proposal Tool or Advisory Service.
- *Limitations of the Advisory Service.* With respect to the Advisory Service, the recommendations provided by LPL and the IAR or Advisor (as applicable) are not intended to comprise the client's complete investment program to the extent that a client has investible and invested assets held in ERISA Plans, or other accounts that the client has not transferred into the account. In addition, recommendations of LPL and the IAR or Advisor (as applicable) are generally limited in scope to the information that users and clients provide. There may be additional information or other financial circumstances not considered by LPL and the IAR or Advisor (as applicable) based on the questions asked at the time a user or client establishes their Investment Allocation Track that would inform the investment advice and recommendations provided by LPL and the IAR or Advisor. Clients should contact their IAR or Advisor, as applicable, to discuss any such additional information or other financial circumstances that they believe may be relevant to the advice provided through the Program.
- *Reliance on Technology; Back-up Measures; Cyber Security Breaches and Identity Theft.* The Program's investment activities and investment strategies are dependent upon various computer and telecommunications technologies, many of which are provided by or are dependent upon third parties, data feed, data center, telecommunications, or utility providers. The successful deployment, implementation, and/or operation of such activities and strategies, and various other critical activities provided by LPL and the IAR or Advisor (as applicable), could be severely compromised, damaged or interrupted by system, network or component failure, computer and telecommunications failure, power loss, a software-related "system crash," unauthorized system access or use (such as "hacking"), computer viruses and similar programs, other security breaches, fire or water damage or other catastrophic events, power outages, human errors in using or accessing relevant systems, or various other events or circumstances.



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

- *Values-Based and Environmental, Social and Governance (ESG) Investing Risk.* Values-based investing or ESG investing, also known as “socially responsible investing,” “sustainable investing,” or “impact investing,” focuses on the social values or environmental, social, and governance standards or the sustainability factors of an investment. Some values-based investing strategies focus on factors relating to an individual investor’s personal or religious values, such as “biblical investing,” while other strategies focus on issues like environmental impact. Some values-based investment strategies use values-based criteria to supplement financial analysis when considering a particular issuer or security, while others affirmatively select “socially responsible” investments or screen out or exclude investments in companies that engage in certain activities. Values-based investing may limit the type and number of investments available in a strategy and cause the strategy to underperform other strategies without a values-based focus or with a focus that involves a different type of focus or screening methodology. Values-based strategies may underperform the market as a whole. Companies and issuers selected in a values-based strategy may not or may not continue to demonstrate values-based characteristics. Different investors likely have different opinions about what types of investments are socially responsible.

#### Voting Client Securities

In GWP, LPL and IAR or Advisor (as applicable) do not accept authority to vote client securities. Clients retain the right to vote all proxies that are solicited for securities held in the account. Clients will receive proxies or other solicitations from LPL. When LPL delivers mutual fund shareholder reports and proxies to clients, 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 (NYSE) 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. If clients have questions regarding the solicitation, they should contact the contact person that the issuer identifies in the proxy materials or their IAR or Advisor, as applicable. In addition, clients retain the right and obligation to take action with respect to legal proceedings relating to securities held in the account.

#### ITEM 7 CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Users of the Proposal Tool complete an investor profile, including risk tolerance and Retirement Age or desired date of a major purchase, if applicable. Clients of the Advisory Service complete the investor profile and also complete an Account Application which is a part of the Account Agreement.

In quarterly communications with clients of the Advisory Service, the IAR or Advisor, as applicable, asks clients to contact him or her if there have been any changes in the client’s financial situation or investment objective.

Users and clients should understand that the Investment Allocation Track seeks to achieve an overall objective for the entire account and may be inconsistent with a particular Sample Recommendation or holding and, for clients, the account’s performance at any time. Users and clients also should be aware that Investment Allocation Tracks are designed to achieve long-term goals for the account.

#### ITEM 8 CLIENT CONTACT WITH PORTFOLIO MANAGERS

LPL does not place any restrictions on a user’s or client’s ability to contact and consult with IARs or Advisors, as applicable, and users and clients should contact their IARs or Advisor, as applicable, with any questions regarding the Program.

#### ITEM 9 ADDITIONAL INFORMATION

##### Disciplinary Information

LPL entered into a settlement with the SEC in connection with LPL’s failure to comply with its Customer Identification Program procedures. The SEC found that LPL willfully violated Section 17(a) of the Exchange Act and Rule 17a-8 thereunder and was a cause of a third party’s violations of Sections 17(a)(2) and (3) of the Securities Act and Section 206(2) of the Advisers Act. The SEC ordered LPL to cease and desist from committing or causing any further violations of these laws and regulations, censured LPL for its conduct, and ordered the payment of disgorgement and prejudgment interest totaling \$141,202 (deemed satisfied based on LPL’s voluntary remedial payment of \$4,118,876 to the impacted client), and the payment of a civil money penalty of \$750,000.



**GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE**

As part of a voluntary self-reporting initiative in 2019, LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated Section 206(2) and 207 of the Investment Advisers Act of 1940 (the “Advisers Act”) in connection with inadequate disclosure to clients of its and its associated persons’ conflicts of interest related to its receipt of 12b-1 fees and/or its selection of mutual fund share classes that pay such fees. The SEC ordered LPL to cease and desist from committing or causing any violations of Sections 206(2) and 207 of the Advisers Act, censured it for its conduct, and ordered the payment of disgorgement and prejudgment interest to affected investors totaling \$9,333,516.

LPL, as a broker-dealer, is a member of FINRA and has found to be in violation of FINRA’s rules related to its brokerage activities. In particular, LPL consented to sanctions related to the following matters:

- LPL’s supervisory systems and procedures relating to the transmittal of customer funds by wire or check to third parties and maintenance of related books and records, resulting in a censure, a fine of \$3,000,000, restitution to impacted clients, and an undertaking to identify and pay restitution to affected customers for certain other improper transfers (2023).
- LPL’s failure to accurately calculate its customer reserve requirement, failure to maintain a sufficient customer reserve, failure to maintain policies and procedures reasonably designed to achieve compliance with the Securities and Exchange Act and FINRA rules, and failure to maintain accurate books and records, resulting in a censure and a fine of \$300,000 (2022).
- LPL’s self-reporting of potential issues related to certain C-share purchase suitability reviews and its supervisory systems and procedures relating to waivers of front-end sales charges for rollovers of 529 savings plan investments from one state plan to another, resulting in a censure and payment of restitution to impacted customers (2021).
- LPL’s supervisory systems and procedures relating to record retention, fingerprinting and screening of certain associated persons, and supervision of consolidated reports, resulting in a censure, a fine of \$6,500,000 and an undertaking to review and enhance related policies, systems and procedures (2020).
- LPL’s supervisory systems and procedures relating to changes in the authority of custodians of accounts established under the Uniform Gifts to Minors Act and/or the Uniform Transfers to Minors Act, resulting in a censure, a fine of \$300,000, and an undertaking to review and enhance its policies, systems, and procedures related to supervision of such accounts (2019).
- The effectiveness of LPL’s anti-money laundering program, LPL’s failure to amend certain Forms U4 and U5, and LPL’s systems and supervisory procedures relating to Forms U4 and U5 reporting requirements, resulting in a censure and a fine of \$2,750,000 and an undertaking to review the process used to disclose customer complaints on Forms U4 and U5 (2018).
- LPL’s brokerage supervisory and disclosure procedures related to the sale of certain brokered certificates of deposit in brokerage accounts, resulting in a censure and a fine of \$375,000 (2018).
- LPL’s systems and supervisory procedures relating to the creation and distribution of certain required account notices, resulting in a censure, a fine of \$900,000, and an undertaking to review affected processes (2016).
- LPL’s systems and supervisory procedures relating to the format in which certain electronic records were retained, resulting in a censure and a fine of \$750,000 (2016).
- LPL’s various brokerage supervisory procedures, including those related to the sale of complex non-traditional ETFs, variable annuity (“VA”) contracts, real estate investment trusts (“REITs”) and other products in brokerage accounts, as well as LPL’s failure to monitor and report trades and deliver trade confirmations, resulting in a censure and a fine of \$10,000,000, and restitution of \$1,664,592 (2015).
- LPL’s processing and supervision of the sale of alternative investments, including non-traded REITs, resulting in a censure and a fine of \$950,000 (2014).
- LPL’s systems and procedures related to the review and retention of email, resulting in a censure, a fine of \$7.5 million, and establishment of a fund of \$1.5 million to cover payments to eligible former brokerage customer claimants who may not have received all emails in connection with their claim (2013).





## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

LPL, as a broker-dealer, is regulated by each of the 50 states and has been the subject of orders related to the violation of state laws and regulations in connection with its brokerage activities. In particular, LPL entered into consent orders related to the following matters:

- LPL's supervision of electronic signature practices at an LPL branch office in Massachusetts, resulting in a fine of \$250,000 and an undertaking to conduct an internal review of certain related policies and procedures (Massachusetts or "MA", 2023).
- LPL's supervision of an LPL broker-dealer/investment adviser agent's sales of structured products, resulting in a censure, an offer of restitution to impacted clients, and a fine of \$125,000 (Texas, 2022).
- LPL's supervision of two LPL broker-dealer and/or investment adviser agents who pled guilty to charges of fraudulent practices with LPL customers, resulting in a cease and desist order, a fine of \$350,000 and a \$150,000 contribution for financial literacy and investor education initiatives, training and related materials (Connecticut, 2021).
- LPL's supervision of an LPL representative under a heightened supervision plan, resulting in a cease and desist order; a fine of \$275,000; payments of restitution, disgorgement and investigative costs; and offers of payment of surrender charges in connection with variable annuity contracts for impacted customers (New Hampshire or "NH", 2020).
- LPL's failure to timely register (or maintain the registration of) certain agents in MA and failure to amend Forms U4 and U5 for certain agents registered in MA, resulting in a censure, a fine of \$1,100,000, and an undertaking to review and enhance its policies and procedures related to registering its agents in MA and filing reportable events (MA, 2019).
- LPL's brokerage supervisory procedures relating to email review and annual branch office examinations, resulting in a civil penalty of \$450,000 and an undertaking for third-party review of related processes (Indiana, 2018).
- The sale of unregistered, non-exempt securities in violation of state registration requirements, resulting (upon entry of the individual consent order) in payment to each participating state or jurisdiction of a civil penalty of \$499,000, reimbursement of certain investigative expenses, remediation through repurchase of certain securities and payment of losses to certain affected customers, and certain additional undertakings (Settlement with up to 53 members of the North American Securities Administrators Association (NASAA), 2018).
- The sale of non-traded alternative investments in excess of prospectus standards or LPL's internal guidelines and the maintenance of related books and records, resulting in a censure, a fine of \$950,000, a \$25,000 contribution to an investor education fund and remediation of losses to impacted customers (New Jersey, 2017).
- LPL's supervisory practices for LPL representatives located on the premises of a credit union, resulting in a censure, a fine of \$1,000,000, and an undertaking to avoid investor confusion specific to the name under which the credit union does business and review LPL's related policies and procedures (MA, 2017).
- LPL's oversight of certain VA transactions, resulting in a censure, a fine of \$975,000, restitution to clients and former clients of an LPL representative, disgorgement of commissions retained by LPL in connection with such representative's VA sales, and an undertaking to review such representative's brokerage and advisory activities and LPL's related policies and procedures (MA, 2017).
- The sale in brokerage accounts of non-traded REITs in excess of prospectus standards, state concentration limits or LPL's internal guidelines, resulting in an aggregate civil penalty of \$1,425,000, reimbursement of certain investigative expenses and remediation of losses to impacted customers (Global settlement with certain members of NASAA, 2015).
- The sale of non-traded REITs in excess of prospectus standards, state concentration limits or LPL's internal guidelines, resulting in an administrative fine of \$250,000, reimbursement of investigative costs of \$250,000, a \$250,000 contribution to an investor education fund and remediation of losses to impacted customers (NH, 2015).
- The sale of leveraged and inverse leveraged ETFs ("Leveraged ETFs"), resulting in an administrative fine of \$50,000 (Delaware), a penalty of \$200,000 (MA), restitution to Delaware customers in an amount up to \$150,000, restitution to MA customers in an amount up to \$1,600,000, and an agreement to make certain changes in its supervisory system with respect to Leveraged ETFs (2015).
- Failure to implement procedures related to the use of senior-specific titles by LPL representatives as required under MA law, resulting in a censure and a fine of \$250,000 (2015).





## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

- Failure to detect improper and fraudulent conduct by an LPL representative, resulting in a censure, a fine of \$500,000, and restitution to impacted customers; and failure to adequately enforce supervisory procedures and maintain certain books and records required under Illinois law in connection with certain VA exchange transactions, resulting in a censure, a fine of \$2,000,000, and restitution to impacted customers (2014).

For more information about those state events and other disciplinary and legal events involving LPL and its IARs, users and clients should refer to Investment Advisor Public Disclosure at <https://adviserinfo.sec.gov/> or FINRA BrokerCheck at <https://brokercheck.finra.org/>.

#### Other Financial Industry Activities and Affiliations

LPL is a broker-dealer registered with FINRA and the SEC. As a broker-dealer, LPL transacts business in various types of securities, including mutual funds, stocks, bonds, commodities, options, private and public partnerships, variable annuities, REITs and other investment products. LPL is registered to operate in all 50 states and has primarily an independent-contractor sales force of registered representatives and IARs dispersed throughout the United States. LPL has a dedicated team of employee IARs in its home office who service certain accounts, and also a small subset of IARs who operate their own offices or are located on the premises of certain financial institutions and are employees of LPL Employee Services, LLC, an LPL-affiliated company. IARs may be registered representatives of LPL. If required for their positions with a registered broker-dealer, LPL's principal executive officers are securities licensed as registered representatives of LPL. LPL is also registered as an introducing broker with the Commodity Futures Trading Commission. In addition, LPL is qualified to sell insurance products in all 50 states.

With respect to GWP services provided by an Advisor (rather than one of LPL's IARs), associated persons of Advisor may also be broker-dealer registered representatives of LPL or another broker-dealer. If an associated person of Advisor is a broker-dealer registered representative of LPL, that person is providing advisory services to a Program account on behalf of Advisor. That person is not acting in a broker-dealer capacity or on behalf of LPL with respect to the Program.

LPL and The Private Trust Company, N.A. ("PTC"), a federally chartered non-depository bank licensed to provide trust services in all 50 states, are related persons. PTC serves as IRA custodian for Program accounts set up as individual retirement accounts. PTC also provides personal trustee services to clients for a variety of administrative fiduciary service, which services may relate to a Program account. Because LPL and PTC are affiliated companies and share in revenues, there is a financial benefit to the companies if a client uses PTC as a custodian or for personal trustee services, or if a PTC client uses LPL as an investment advisor. PTC's IRA custodian and trustee services and fees are established under a separate engagement between the client and PTC.

Fiduciary Trust Company of New Hampshire ("FTC"), a non-depository trust company, is a related person of LPL. FTC provides custodial and various other recordkeeping and services to IRAs and certain employer-sponsored plans maintained through non-GWP Program accounts. Because LPL and FTC are affiliated companies and share in revenues, there is a financial benefit to the companies if a client is referred to or otherwise elects to engage with FTC for services under another LPL program, and uses LPL as the investment advisor or broker-dealer. FTC's custodial and recordkeeping services and related fees are established under a separate engagement between the client and FTC.

Fortigent, LLC ("Fortigent"), is a registered investment advisor and related person of LPL. From time to time, LPL registered representatives may enter into agreements with Fortigent for research and reporting services.

LPL IARs are permitted to engage in certain LPL-approved business activities other than the provision of brokerage and advisory services through LPL, and in certain cases, an IAR could receive greater compensation through the outside business than through LPL. An IAR could also be an accountant, real estate agent, tax preparer, lawyer or refer customers to other service providers and receive referral fees, for example. As other examples, an IAR could provide advisory or financial planning services through an independent unaffiliated investment advisory firm, sell insurance, or provide third-party administration to retirement plans through a separate firm. If an IAR provides investment services to a retirement plan as a representative of LPL and also provides administration services to the plan through a separate firm, this typically means the IAR is compensated from the plan for the two



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

services. If you engage with an IAR for services separate from LPL, you may wish to discuss with him or her any questions you have about the compensation he or she receives from the engagement.

Additionally, LPL and/or its IARs may refer clients to unaffiliated firms other than investment product sponsors or financial institutions, for either investment or non-investment related products or services, in exchange for a referral fee or other forms of indirect compensation. These may include referrals for investment banking, lending, accounting, tax preparation, financial technology tools, or such other products, services or consultations that may be requested by and/or benefit a client. As applicable, clients will receive additional disclosures identifying these particular arrangements and any related compensation at the time of the referral.

LPL has an affiliated insurance agency, LPL Insurance Associates, Inc. ("LPLIA") through which IARs may sell insurance products. LPL receives compensation from issuers of life insurance (universal, variable universal, whole life, and term) and other insurance contracts that are made available by IARs, such as long term care insurance and disability insurance. The compensation includes commissions and trails, and may include payments for administrative services that LPL provides and/or payments made in connection with LPL's marketing and sales-force education and training efforts, including LPL's annual national sales and education conference and other conferences. IARs receive a percentage of the commissions or trailing commissions paid to LPL or LPLIA. IARs may also sell insurance through an independent unaffiliated insurance agency. An IAR may earn compensation (including trailing compensation), benefits and non-cash compensation through the third party insurance agency and may have an incentive to recommend you purchase or sell insurance products with the independent agency.

#### Code of Ethics and Personal Trading

LPL has adopted a code of ethics that includes guidelines regarding personal securities transactions of its employees and IARs. The code of ethics permits LPL employees and IARs to invest for their own personal accounts in the same securities that LPL and IARs purchase for clients in Program accounts (or that are recommended to users). This presents a conflict of interest because trading by an employee or IAR in a personal securities account in the same security on or about the same time as trading by a client can disadvantage the client. LPL addresses this conflict of interest by requiring in its code of ethics that LPL employees and IARs report certain personal securities transactions and holdings to LPL. LPL has procedures to review personal trading accounts for front-running. In addition, employees in LPL's Research Department are required to obtain pre-clearance prior to purchasing certain securities for a personal account. Employees and IARs are also required to obtain pre-approval for investments in private placements and initial public offerings. A copy of the code of ethics is available to clients or prospective clients upon request and is available at [lpl.com/disclosures.html](http://lpl.com/disclosures.html).

With respect to GWP services provided by an Advisor (rather than one of LPL's IARs), clients should refer to Advisor's Form ADV brochure for more information about the Advisor's code of ethics and personal trading policies.

#### Participation or Interest in Client Transactions

Purchases of mutual fund shares are typically processed through LPL's proprietary account resulting in such purchases being characterized as principal transactions for certain reporting purposes. In such case, the shares will be purchased at the fund's net asset value, and no additional charges will be applied to such transactions as a result of LPL's use of a proprietary account. LPL does not otherwise engage in principal transactions with its clients in GWP. LPL's parent company, LPL Financial Holdings Inc., is a publicly traded company. LPL Financial Holdings Inc. stock may not be purchased in GWP accounts. However, a model may include an ETF or mutual fund that holds LPL Financial Holdings Inc. stock as an underlying investment, for example, an ETF that seeks to replicate the performance of an investment services index that includes LPL Financial Holdings Inc.

For certain ETFs and stocks, LPL executes trades in fractional shares of those securities as an accommodation to clients. There is not an active open market for fractional shares, and executing trades with LPL is most often the only form of liquidity for a client that holds fractional shares in his or her account. LPL does not receive any compensation in addition to advisory fees for executing trades in fractional shares for a client's advisory account. LPL will only buy and sell fractional shares when a client is also trading whole shares of the security, in connection with a dividend reinvestment plan, or to sell remaining fractional shares



**GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE**

to close a position. Trades in fractional shares will happen on the same day and at the same price as a trade in whole shares, or otherwise at market closing price.

**12b-1 Fees; Recordkeeping Services and Compensation; Revenue Sharing Arrangements**

Some previously purchased, non-model mutual funds charge shareholders a 12b-1 fee, and, in the future, mutual funds selected in a Model Portfolio may charge shareholders a 12b-1 fee. To the extent a mutual fund charges a 12b-1 fee, the fee will be paid to LPL by the mutual fund. Any 12b-1 fees paid to LPL by mutual funds (other than Sweep Funds) will be credited to the account.

LPL performs recordkeeping, administrative and shareholder services on behalf of mutual funds and receives compensation for the services based on mutual fund holdings of GWP clients. These services include establishing and maintaining accounts with the funds, facilitating settlement of funds, responding to customer inquiries and requests, and maintaining sub-account records reflecting the issuance, exchange or redemption of shares by each program account. A type of recordkeeping service that LPL provides to certain mutual fund families is to process transactions on an omnibus basis, which means that LPL consolidates client trades into one daily trade with a fund, and maintains all pertinent shareholder information for the fund. If LPL does not provide omnibus services to a mutual fund, then fund shares are traded on a networked basis, which means LPL submits a separate trade for each individual client trade to the fund. In that case, LPL maintains only certain elements of the fund's shareholder information.

The compensation LPL receives from a fund for recordkeeping, administrative, and shareholder services is based on the amount of GWP client assets that are invested in the fund (up to 0.30% annually), or the number of positions held by GWP clients in the fund (up to \$25 per position). In addition, 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. In the case of exchange traded products, LPL receives up to \$7,500 per product and up to an additional \$15,000 per product for complex exchange-traded products and ETPs that require special due diligence. In the case of mutual funds, LPL receives a one-time set up fee of up to \$40,000 to add the sponsor to its recordkeeping platform, which is the sum of a \$15,000 due diligence fee and a setup fee of \$5,000 per fund (up to a maximum of \$25,000 total for all funds). LPL does not share this compensation with its IARs or Advisors.

LPL has fee arrangements with investment advisors or distributors ("sponsors") of ETFs, mutual funds, annuities, alternative investment products and structured products that are available for purchase through the Program, called revenue sharing. Under these arrangements, the sponsor pays LPL a fee based on the amount of client sales or assets invested in the sponsor's funds or a fixed fee, and LPL provides marketing support to the sponsor and allows the sponsor to access LPL representatives so that the sponsor can promote such products. The maximum revenue sharing fee received by LPL under these arrangements is 0.15% annually, and certain sponsors also pay a tiered flat fee based on customer assets of up to \$1,000,000 in the case of ETFs. LPL does not accept revenue sharing fees for assets held in retirement accounts. LPL does not require that a sponsor participate in revenue sharing arrangements for the sponsor's products to be selected for a Model Portfolio. In many cases, LPL receives compensation from a fund for the provision of services in addition to LPL's receipt of revenue sharing payments from the sponsors, including 12b-1 fees and mutual fund recordkeeping fees (described above).

Revenue sharing payments are generally higher for investment products with higher expense ratios (the overall fee paid by an investor in the product). Additionally, revenue sharing payments for some ETFs are based on management fees and will be higher for ETFs with higher expense ratios, both because LPL is paid a portion of the higher fees and because generally the percentage rate that LPL gets paid increases for investment products with higher expense ratios. As a result, LPL has an increased incentive to choose investment products that charge more in fees and to promote or recommend these investment products so that LPL earns more, and that could cause lower performance for client accounts. Other investment products with lower fees that are not party to revenue sharing agreements are available. Higher expense ratios will cause an investor to earn less on an investment than a comparable investment with a lower expense ratio. This results in a conflict of interest between clients and LPL because the revenue sharing arrangements give LPL an incentive to recommend investments that could cause



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

lower performance for client accounts. However, these conflicts are mitigated insofar as the revenue sharing payments LPL receives are not shared with the IAR or Advisor who selects or recommends the investment products for client accounts.

The revenue that LPL receives from 12b-1 fees, recordkeeping compensation, and revenue sharing arrangements is an important revenue stream and presents conflicts of interest that affect LPL's ability to provide clients with unbiased, objective investment advice concerning the retention of previously purchased mutual funds and, in the future, the selection of funds and share classes for a Model Portfolio. In particular, LPL has a financial incentive: (i) to retain or select a product or a share class that charges a 12b-1 fee and/or pays recordkeeping compensation to LPL over another comparable product or a share class that does not charge 12b-1 fees or pay recordkeeping compensation; (ii) to retain or select a product sponsored by a company that makes revenue sharing payments to LPL, instead of another comparable product whose sponsor does not make such payments; and (iii) to retain or select a product or a share class that charges 12b-1 fees, pays recordkeeping compensation to LPL, or whose sponsor makes revenue sharing payments to LPL that, in each case, are comparatively higher than those charged or paid by another comparable fund or share class or a sponsor of such products or share classes. Such other comparable products and/or share classes may be more appropriate for a client than the product or share class offered through the Program. Additionally, LPL receives significantly more revenue sharing from fund sponsors for which LPL's clients have the largest holdings, which creates a conflict of interest for LPL to promote and recommend those investments. LPL's website at [lpl.com/disclosures.html](http://lpl.com/disclosures.html) identifies the products that pay recordkeeping compensation and the mutual fund sponsors that make revenue sharing payments to LPL.

LPL credits to clients any 12b-1 fees it receives from mutual funds (other than the Sweep Funds), and therefore, LPL does not have an incentive to select one fund or Program Share Class over another solely on the basis of the 12b-1 fee. In addition, LPL does not share 12b-1 fees, recordkeeping fees, or revenue sharing payments with IARs or Advisors, and therefore, there is no financial incentive for an IAR or Advisor to select a participating fund over another fund because of this fee arrangement. Although LPL does not share recordkeeping fees or revenue sharing payments with IARs or Advisors such fees and payments will increase LPL's profits and indirectly benefit IARs and Advisors, for example by increasing the value of equity awards from LPL's parent company to IARs or by being used by LPL to support marketing or training costs.

#### Cash Sweep Arrangements

LPL makes available programs for cash in a GWP account to be automatically swept to an interest-bearing Federal Deposit Insurance Corporation ("FDIC")-insured deposit account (or under certain unlikely circumstances, into money market mutual funds), and for certain types of accounts, a money market fund. For more information about which types of accounts are eligible to use the different sweep options, please speak to your IAR or Advisor, as applicable.

For accounts that sweep cash to the multi-bank insured cash account program offered by LPL (the "ICA") -- LPL receives a fee equal to a percentage (up to 6%) of the average daily deposit balance in the ICA. The fee paid to LPL is applied across all ICA deposit accounts taken in the aggregate; therefore, on some accounts, fees to LPL may be higher or lower than this amount. For accounts that sweep cash to the multi-bank deposit cash account program offered by LPL (the "DCA")—LPL receives a flat monthly fee per account (approximately \$28.25 as of February 3, 2023) based upon the prevailing fed funds target rate. LPL's compensation under the DCA program is not affected by the actual cash amounts held in your account. The fees paid to LPL for its sweep programs reduces the interest rate paid on your cash funds, and depending on the interest rate and other market factors, LPL may receive a majority of the interest as fees.

For ICA Overflow Balances maintained in Client Cash Accounts, LPL makes money 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 you on such Client Cash Account balances, and further



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

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.

For DCA Overflow Balances maintained in GSAM, LPL receives compensation of up to 0.45% annually of the LPL client assets invested in GSAM in connection with recordkeeping and other services it provides for the funds.

For the narrow set of accounts that are set up for cash to sweep to a money market fund—the available Sweep Funds typically pay higher 12b-1 fees than other money market funds. With respect to the J.P. Morgan U.S. Government Money Market Fund, LPL receives compensation of up to 0.25% annually of the LPL client assets invested in the Sweep Funds for services it provides for the fund. Together, the 12b-1 fees, recordkeeping fees, marketing support payments, and other compensation from Sweep Funds and their sponsors, allow LPL to receive up to 1% annually of LPL client assets in the Sweep Funds.

The compensation that LPL receives related to ICA, DCA (including from any ICA and DCA overflow mechanisms) and the Sweep Funds is in addition to the Account Fee that LPL and IAR or Advisor (as applicable) receive with respect to the assets in the sweep investment. This compensation related to ICA, DCA and Sweep Funds is an important revenue stream and presents a conflict of interest to LPL because LPL has a financial benefit if cash balances are maintained in ICA, DCA or the Sweep Funds. In addition, LPL will not take into account this compensation when it makes decisions on a Model Portfolio's allocation to cash. LPL will not share this compensation with IARs or Advisors.

Clients should understand that, depending on interest rates and other market factors, the yields on the ICA, DCA and Sweep Funds have been, and may continue in the future to be, lower than the aggregate fees and expenses received by LPL for a client's participation in the cash sweep programs. This may result in a client experiencing a negative overall investment return with respect to cash reserves in the cash sweep programs. Interest rates under ICA and DCA may be lower than the interest rates available if clients make deposits directly with a bank or other depository institution outside of the Program or invests in a money market fund or another cash equivalent. Clients should compare the terms, interest rates, required minimum amounts and other features of the ICA and DCA programs with other types of accounts and investments for cash.

#### Credit Cards

As part of its cash management services, LPL makes available for its customers credit cards through a partner bank. LPL receives a flat fee for each new activated credit card that is used by the cardholder in the first 90 days. LPL also receives a portion of the transaction volume of the cardholder's account. LPL's portion of the transaction volume varies depending on the number of LPL active cardholder accounts.

#### Rollovers

If a client is a participant in an employer-sponsored plan such as a 401(k) plan, and decides to roll assets out of the plan into the account, LPL and IAR have a financial incentive to recommend that the client invest those assets in the account, because LPL will be paid on those assets, for example, through advisory fees. You should be aware that such fees likely will be higher than those a participant pays through an employer-sponsored plan, and there can be maintenance and other miscellaneous fees. As securities held in an employer-sponsored plan are generally not transferrable to the account, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. However, this conflict of interest is mitigated by LPL's general policy prohibiting its IARs from recommending clients roll out an employer-sponsored retirement plan into an LPL IRA, though IARs may assist by educating clients on their options as well as various pros and cons of initiating a roll out of an employer-sponsored plan and may recommend how IRA assets be invested after the client has determined to roll out of the employer-sponsored plan.

When LPL or an IAR recommends that a client move assets from an LPL brokerage account or an IRA held at another financial institution into a program account, he or she is required to consider, based on the information client provides, whether client will be giving up certain investment-related benefits at the other financial institution, such as the effects of breakpoints or rights



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

of accumulation, and has determined that the recommendation is in client's best interest because (1) greater services and/or other benefits (including discretionary management, asset consolidation, trust services, and advice and planning, automatic account rebalancing) can be achieved with the Account; and (2) the asset based fees and transaction charges are justified by these services and features.

#### Review of Accounts

IARs review accounts and meet with clients, on a regular basis or as requested by the client, and such meetings may include review of accounts statements, performance information, and other information or data related to the client's account and investment objectives.

Client may access account statements, showing account activity and month or quarter-end positions, and confirmations of the transactions that occurred within the account through Account View. Confirmations of transactions will be consolidated in the case of rebalancing transactions. Detailed performance information is generally available in electronic form through Account View and is available on year end statements. IARs or Advisors, as applicable, have access to review accounts statements and performance information.

Users of the Proposal Tool do not receive any reporting.

#### Other Compensation

LPL, LPL employees and IARs receive additional compensation, business entertainment and gifts from product sponsors. However, such compensation may not be tied to the sales of any products. 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 appreciation events, or marketing or advertising initiatives, including services for identifying prospective clients. Product sponsors also pay for, or reimburse LPL for the costs associated with, education or training events that are attended by LPL employees, IARs and Advisors and for LPL-sponsored conferences and events. LPL, LPL employees and IARs also receive reimbursement from product sponsors for technology-related costs, such as those to build systems, tools and new features to aid in serving customers. With respect to GWP services provided by an Advisor (rather than one of LPL's IARs), clients should refer to the Advisor's Form ADV brochure for more information about conflicts of interest.

LPL employees provide sales support resources to IARs and Advisors that use LPL advisory programs. The compensation that LPL pays to these employees varies based on the assets in LPL's different advisory programs. These employees have an incentive to promote certain advisory programs to IARs and Advisors over other advisory programs. These employees also earn more compensation when IARs and Advisors transition client assets from brokerage accounts to advisory accounts, and have a financial incentive to encourage IARs and Advisors to transition brokerage accounts to advisory.

LPL receives compensation in the form of earnings on its short-term investment of cash in Program accounts prior to the time the cash is invested for the account. These earnings are generally known as "float." Cash in the account would typically result from contributions to the account or sales of securities in the account. For accounts that opt out of the sweep program, the accounts typically remain in free credit balances. In such case, LPL receives compensation in the form of earnings on cash. LPL does not share this compensation with IAR or Advisor.

In the event a trade error occurs in an account, and such error is determined to be caused by LPL, LPL typically will cancel the trade and remove the resulting monetary loss to the client from the account. If a trade correction is required as a result of client (e.g., if client does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), LPL typically will cancel the trade and any resulting monetary loss will be borne by the client. In the case of a trade that requires a correction as described above and that resulted in a monetary gain to the client, such gain will be removed from the account and can result in a financial benefit to LPL.

If a Model Portfolio is selected that only consists of ETFs and/or mutual funds within the same fund family or within affiliated fund families, the Portfolio Strategist will select only those funds within the affiliated fund families.





## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

#### Conflicts Related to LPL Compensation to IAR

An IAR recommending an advisory service receives compensation from LPL. LPL typically compensates IARs pursuant to an independent contractor agreement, and not as an employee. This compensation includes a portion of the Account Fee and, such portion received by IAR may be more than what IAR would receive at another investment advisor firm. Such compensation includes other types of compensation and benefits, such as bonuses, awards or other things of value offered by LPL to the IAR. In particular, LPL pays its IARs in different ways, for example:

- payments based on production
- equity awards from LPL's parent company, LPL Financial Holdings Inc., consisting of awards of either restricted stock units (a promise to deliver stock in the future) or stock options to purchase stock, in each case subject to satisfaction of vesting and other conditions
- reimbursement or credits of fees that IARs pay to LPL for items such as administrative services, or technology fees
- free or reduced-cost marketing materials
- payments in connection with the transition of association from another broker-dealer or investment advisor firm to LPL
- advances of advisory fees
- payments in the form of repayable and forgivable loans
- attendance at LPL conferences and events.

Some of these forms of compensation, particularly equity awards of LPL Financial Holdings Inc., give IARs a financial interest in the success of LPL. IARs who have a financial interest in the success of LPL have an incentive to recommend investments that are more profitable for LPL, regardless of whether the IARs share in that compensation directly.

Note that LPL has a dedicated team of employee IARs in its home office who service certain accounts, and also a small subset of IARs who operate their own offices or are located on the premises of certain financial institutions and are employees of LPL Employee Services, LLC, an LPL-affiliated company. In such cases, the IARs are compensated as employees, and such compensation can include a salary, bonus and other things of value as set out above.

LPL also charges IARs various fees under its independent contractor agreement, for example, for administrative, custody and clearing services to accounts, technology and licensing. In certain cases, LPL pays IARs this compensation, and charges IARs these fees, based on the IAR's overall business production and/or on the amount of assets serviced in LPL advisory relationships. When compensation or fees charged is based on the level of production or advisory assets of an IAR, the IAR has a financial incentive to meet those production or asset levels. The amount of this compensation from LPL could be more, and the amount of these fees charged by LPL could be less, than what the IAR would receive, or pay, if he or she associated with another investment advisor firm. The level of compensation and costs is an incentive for an IAR to become associated with LPL over another investment advisor firm. This compensation from LPL could be more than what the IAR receives than if the client participated in other LPL programs, programs of other investment advisors or paid separately for investment advice, brokerage and other client services, and likewise, the fees that IAR pays to LPL could be less for GWP than other programs or services. In such cases, the IAR has a financial incentive to recommend advisory services in GWP over other programs and services. However, IAR will factor in the fees charged to them by LPL in the overall Account Fee negotiated by the client. In addition, an IAR may only recommend a program or service that he or she believes is suitable and in the best interests of a client in accordance with the applicable standards under the Advisers Act. LPL has systems in place to review IAR-managed accounts in GWP for suitability over the course of the advisory relationship.

#### Ownership Interest in Doing-Business-As ("DBA") Entities

Some IARs operate through independent practices with a separate Doing-Business-As (or "DBA") designation. In some cases, LPL may partially or wholly own such practices, and have a financial interest in the business success of the DBA as a whole, or in a particular element of the DBA via specific ownership interests in its brokerage, advisory, insurance, or other financial services



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

business (or any combination thereof). Clients should ask their IAR about the extent to which LPL has a financial interest in their practice.

#### LPL Compensation to Advisor

LPL pays compensation to Advisor, which includes a portion of the Advisor Fee and also may include other compensation, such as bonuses, awards or other things of value offered by LPL to the Advisor and/or its representatives. For example, LPL may pay additional compensation to Advisor or its representatives by providing equity awards from LPL's parent company, LPL Financial Holdings Inc., consisting of awards of either restricted stock units (a promise to deliver stock in the future) or stock options to purchase stock, in each case subject to satisfaction of vesting and other conditions, payments in the form of repayable or forgivable loans, reimbursement of administrative servicing fees or technology fees that Advisor and/or its representatives pays to LPL, free or reduced-cost marketing materials, payments in connection with the transition of Advisor's business from another firm to LPL, or attendance at LPL's conferences or events.

Individuals of Advisor also may be associated with LPL as broker-dealer registered representatives and/or investment advisor representatives.

#### LPL Interests in Investment Advisers

As part of its business initiatives, LPL acquires or may take a financial interest in third-party investment advisers ("RIA Firms") that utilize LPL as their custodian. These RIA firms offer LPL's investment advisory programs to their clients, and LPL earns compensation as a result of their use of its programs. When LPL acquires an RIA Firm and integrates that RIA Firm into LPL's investment adviser, it registers the IARs with LPL and they (and any other staff retained or engaged by LPL) become subject to LPL's code of ethics and have new and different conflicts of interest when recommending investment advisory products to clients. The IARs may brand their financial services practice under the RIA Firm's prior name (Doing-Business-As or "DBA" name), but they will be offering all advisory services through LPL. Alternatively, LPL may acquire the RIA Firm and continue operating it as a going concern. There, the IARs remain IARs of the RIA Firm, and LPL amends its regulatory records to reflect the RIA Firm as an affiliate. In the event LPL takes a limited financial interest in an RIA Firm, the terms of the ownership interest will dictate LPL's share of the RIA Firm's advisory revenue and other sources of income. In all cases, LPL has a financial interest in the success of the RIA Firm. IARs of LPL have access to different products and services than LPL makes available to the financial professionals of third-party RIA Firms. Clients should ask their financial professional about the extent to which LPL has a financial interest in their practice.

#### Transition Assistance

LPL also provides various benefits and/or payments to IARs or Advisors with broker-dealer registered representatives that are newly associated with LPL to assist the IAR or Advisor with the costs (including foregone revenues during account transition) associated with transitioning his or her business to LPL (collectively referred to as "Transition Assistance"). The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including but not necessarily limited to, providing working capital to assist in funding the IAR's or Advisor's business, satisfying any outstanding debt owed to the IAR's or Advisor's prior firm, offsetting account transfer fees (ACATs) as a result of the IAR's or Advisor's clients transitioning to LPL's custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support and termination fees associated with moving accounts.

The amount of the Transition Assistance payments are often significant in relation to the overall revenue earned or compensation received by the IAR or Advisor at his or her prior firm. Such payments are generally based on the size of the IAR's or Advisor's business established at his or her prior firm, for example, a percentage of the revenue earned or assets serviced by the IAR or Advisor, as applicable, at the prior firm. These payments are generally in the form of payments or loans to the IAR or Advisor with favorable interest rate terms as compared to other lenders, which are paid by LPL or forgiven by LPL based on years of service with LPL (e.g., if the IAR or Advisor remains with LPL for 5 years) and/or the scope of business engaged in with LPL. LPL does not verify that any payments made are actually used for such transition costs.



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

LPL also makes payments to IARs or such firms in connection with the transition of certain advisory business to LPL from his or her prior firm that is not approved on LPL's platform. These payments are tied to the amount of client assets that are transitioned from an unapproved platform at the prior firm to LPL's advisory programs. In addition, IARs are also eligible to receive compensation from LPL in order to assist with offsetting time and expense in coordinating transfers of client accounts from third party investment platforms to LPL's platform ("Operational Assistance"). This compensation is payable as a flat-dollar amount per transferred account with a maximum of up to \$350 per account.

The receipt of Transition Assistance and Operational Assistance creates a conflict of interest in that an IAR or Advisor has a financial incentive to recommend that a client open and maintain an account with the IAR or Advisor and LPL for advisory, brokerage and/or custody services, and to recommend switching investment products or services where a client's current investment options are not available through LPL, in order to receive the Transition Assistance and Operational Assistance benefit or payment. LPL and its IARs attempt to mitigate these conflicts of interest by evaluating and recommending that clients use LPL's services based on the benefits that such services provide to clients, rather than the Transition Assistance and Operational Assistance earned by any particular IAR. However, clients should be aware of this conflict and take it into consideration in making a decision whether to establish or maintain a relationship with LPL. With respect to GWP services provided by an Advisor (rather than one of LPL's IARs), clients should refer to the Advisor's Form ADV brochure for more information about conflicts of interest. If LPL makes a loan to a new or existing IAR, there is also a conflict of interest because LPL's interest in collecting on the loan affects its ability to objectively supervise the IAR.

#### Client Referrals

From time to time, LPL and/or its IARs enter into arrangements with clients, third parties or other financial intermediaries for lead generation, client referrals or solicitation for program accounts (collectively, "solicitation arrangements"). These solicitation arrangements range from largely impersonal referrals to specific client introductions to LPL and its IARs. Under solicitation arrangements, the third parties and financial intermediaries are independent contractors. In most cases, third parties are not advisory clients of LPL and do not refer clients based on their experience with LPL as advisory clients. The compensation paid under the solicitation arrangements is structured in various ways, including a one-time fee, a flat fee per lead or referral, and sharing a portion of the ongoing Account Fee. LPL and its IARs have generally entered into the following types of referral arrangements:

- *Referral Networks.* Some third parties operate referral networks. Referral networks may present potential clients with a list of possible investing firms and investment advisory representatives, or may direct potential clients specifically only to LPL and its IARs. Some referral networks receive a flat fee per referral and/or an ongoing fee, while others share a portion of the ongoing Account Fee;
- *Professional Cross Referrals.* Some IARs have relationships with other professionals, such as accountants, lawyers or tax advisors, in which the professionals refer clients to IARs and in exchange the IARs refer clients to the professionals for their services. The cross-referral arrangement is a quid pro quo relationship that can give rise to similar conflicts as compensated referrals;
- *Client Referral Awards.* Investment advisory clients of LPL's IARs refer new advisory clients to their IARs. Sometimes, in connection with these referrals, IARs pay their clients one-time, non-cash gifts like gift cards or tickets to events for the clients referring to them new advisory clients;
- *Unaffiliated Financial Institutions.* LPL and its IARs offer advisory services on the premises of unaffiliated financial institutions, like banks or credit unions. These financial institutions refer clients to LPL. See more about LPL's relationship with financial institutions under "Unaffiliated Financial Institutions" below; and
- *Other Arrangements.* LPL and its IARs may enter into other arrangements in the future that provide for compensation similar to one or more of the types of arrangements described above.

Depending on the solicitor's arrangement with LPL, a solicitor may not be compensated for referring a client who opens a brokerage account rather than an advisory account, and as a result may encourage the client to open an advisory account



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

instead of a brokerage account. Solicitation arrangements give rise to material conflicts of interest because the referring party has a financial incentive to introduce new investment advisory clients to LPL and its IARs. Solicitors may also have other conflicts of interest with respect to a particular IAR or may be associated with LPL in another way. Clients who are introduced to LPL and its IARs through a solicitation arrangement receive specific disclosures at the time of the introduction. If you receive such disclosures, you should review them carefully to understand the details of LPL's arrangements with the person introducing you to LPL. LPL's participation in these referral arrangements does not diminish its fiduciary obligations to its clients.

#### Unaffiliated Financial Institutions

LPL and its IARs or Advisors, as applicable, offer advisory services on the premises of unaffiliated financial institutions, like banks or credit unions. When services are offered in a bank or credit union, the advisory services are offered by LPL and not the financial institution. Any securities recommended as part of the investment advice are not guaranteed by the financial institution, or insured by the Federal Deposit Insurance Corporation or any other federal or state deposit guarantee fund relating to financial institutions.

LPL has entered into agreements with the financial institutions pursuant to which LPL typically shares compensation, including a portion of the Account Fee, with the financial institution for the use of the financial institution's facilities and for client referrals. Instead of paying the IAR or Advisor, as applicable, the portion of the Account Fee as described above, LPL shares the Account Fee with the financial institution, and the financial institution pays part of that amount to the IAR or Advisor, as applicable. The financial institutions, along with LPL, determine the compensation plan for the IAR or Advisor, as applicable. The financial institution establishes the compensation plan for IAR, which is subject to approval by LPL. The compensation plan determines how the IAR's compensation is structured. An IAR will have a financial incentive to recommend a particular service or product if under the compensation plan the recommended product will result in more compensation to the IAR than another product or service, including advisory versus brokerage services. If an IAR is recommending an advisory program or service, he or she must believe that the program or service is suitable and in the best interests of the client in accordance with the applicable standards under the Advisers Act. In a few situations, LPL has agreements to provide similar services at financial institutions in which compensation is not shared with the financial institution.

If IAR is an employee of the financial institution where it provides services to program accounts, LPL typically shares with the financial institution between 75% to 100% of the Advisor Fee, after LPL retains its portion of the Account Fee for its administrative services. IAR (an employee of the financial institution) will be compensated (e.g. in the form of salary, bonus, commissions, etc.) by the financial institution based on the specific agreement and/or compensation plan between the financial institution and the IAR. If IAR is not an employee of the financial institution where it provides services to program accounts, LPL typically shares directly with IAR, after deduction of LPL's portion, between 25% to 100% of the Account Fee, and with the financial institution between 0% to 75%. All compensation paid to IAR or the financial institution will be the sole responsibility of LPL, and will not result in any increase in the Account Fees you pay to LPL.

Some of these financial institutions are affiliated with investment product sponsors (such as mutual fund sponsors) or offer certificates of deposit. An IAR located on the premises of a financial institution has a potential conflict of interest when IAR encourages clients to invest in that financial institution's certificates of deposit or proprietary investment products, such as mutual funds and structured products. When an affiliated investment product is selected for an account, the financial institution receives a portion of the Account Fee pursuant to the agreement between LPL and the financial institution and its affiliate receives fees from the affiliated investment product. Because affiliates of the financial institution earn fees and other benefits from the affiliated product, the financial institution has an incentive to select its affiliated products based on the compensation and benefits its affiliates receive rather than on a client's needs. In addition, because mutual funds benefit from scale, the financial institution and its affiliated companies have an interest in the mutual funds gaining greater assets. Certain financial institutions provide credits for affiliated investment products. We update this information from time to time on [lpl.com/disclosures.html](http://lpl.com/disclosures.html). For more information, click on "Account Disclosures, Agreements, Fee Schedules & Conflicts of Interest," and then "Third Party Compensation and Related Conflicts of Interest."



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

Note that the IAR does not receive additional compensation from the financial institution for selecting affiliated products and the IAR may only recommend an investment product that he or she believes is appropriate for clients. LPL reviews and selects investment products for the Program and LPL may elect to remove or replace an investment product. There is a conflict of interest because the business relationship between LPL and the financial institution could affect LPL's ability to objectively select and determine whether to continue to maintain these investment products in the Program. However, LPL only approves investment products that it determines are suitable and in the best interests of clients using the Program depending on clients' investment objective and risk tolerance.

LPL also provides other forms of compensation to financial institutions, such as bonuses, awards or other things of value offered by LPL to the institution. For example LPL pays a financial institution based on production, in the form of repayable or forgivable notes, reimbursement of fees that LPL charges for items such as administrative services, and other things of value such as free or reduced-cost marketing materials, transition assistance for changing association from another broker-dealer or investment advisor firm to LPL, advances of advisory fees, or attendance at LPL's national conference or top producer forums and events. LPL pays this compensation based on overall business production and/or on the amount of assets serviced in LPL advisory programs. Financial institutions are also eligible to receive compensation from LPL in order to assist with offsetting time and expense in coordinating transfers of client accounts from third party investment platforms to LPL's platform. The compensation is payable to the institution as a flat-dollar amount per transferred account with a maximum of up to \$350 per account. The amount of this compensation may be more than what the financial institution would receive if the client participated in other LPL programs, programs of other investment advisors or paid separately for investment advice, brokerage and other client services. As a result, the financial institution, and IAR or Advisor, as applicable have a financial incentive for the IAR or Advisor to recommend the program account and services that will result in the greatest compensation to the financial institution and IAR or Advisor. If LPL makes a loan to a new or existing financial institution, there is also a conflict of interest because LPL's interest in collecting on the loan affects its ability to objectively supervise an IAR at that financial institution.

In addition, financial institution employees who are not associated with LPL often refer prospective customers to IARs working in the financial institution. Those employees frequently receive a nominal referral fee from the financial institution (typically up to \$25) as compensation for each referral.

Employees of trust departments at certain financial institutions are authorized under the terms of applicable trust arrangements to delegate investment management responsibility to LPL and to receive a portion of the compensation earned in connection with investment advisory services provided to these accounts through LPL. These amounts are negotiated and vary but often amount to a significant portion of the total fees paid for investment advisory services.

#### Financial Information and Custody

LPL is a qualified custodian as defined in Rule 206(4)-2 under the Advisers Act and maintains custody of GWP client funds and securities in a separate account for each client under the client's name. LPL as a qualified custodian sends account statements showing all transactions, positions, and all deposits and withdrawals of principal and income. LPL sends account statements monthly or quarterly when the account has had activity or quarterly if there has been no activity. Clients should carefully review those account statements. LPL will not have custody of any funds and securities of users of the Proposal Tool.

#### Brokerage Practices

In the Advisory Service of GWP, LPL is appointed by each client as custodian of account assets and broker-dealer with respect to processing securities transactions for the accounts. When securities transactions are effected through LPL, there are no brokerage commissions charged to the account.

Clients should understand that not all advisors or program sponsors require their clients to direct brokerage. The fact that LPL is both the investment advisor and broker-dealer on the account presents a conflict of interest. By directing brokerage to LPL, clients may be unable to achieve the most favorable execution of client transactions. Therefore, directed brokerage may cost clients more money. However, clients should understand that LPL is not paid a commission or transaction charge for executing



## ACCOUNT PACKET

### GUIDED WEALTH PORTFOLIOS – PROGRAM BROCHURE

transactions in GWP accounts. In addition, in the case of mutual funds, execution is made at the net asset value of the fund. Although LPL is not paid a commission or transaction charge for transactions in the account, LPL bears costs for each transaction made in an account. This presents a conflict of interest because these costs may be a factor LPL considers when deciding what parameters to set for rebalancing transactions that occur in an account.

LPL will aggregate transactions for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. LPL also will aggregate rebalancing transactions for an account with other Program accounts. Due to the large number of accounts that may be involved in rebalancing transactions on a single day, LPL may effect transactions for some accounts on one day and for other accounts on the following day or days which may result in price differences. In such case, LPL will have discretion to sequence the accounts involved in rebalancing transactions with the goal of treating all accounts equitably over time.

Dividends paid by securities in a client's account may be automatically reinvested or may be paid to the client in cash. In general, mutual fund dividends will be reinvested in the specific mutual fund paying the dividend, while dividends for ETFs will generally be paid in cash.

#### Brochure Supplements

Accompanying this Brochure are Brochure Supplements for individual employees or officers of LPL. Note that although these individuals are responsible for investment advice provided by LPL, they are not IARs responsible for the ongoing individualized investment advice provided to a particular client. For more information about the IAR managing the account, client should refer to the Brochure Supplement for the IAR, which should have been provided by the IAR along with this Brochure at the time client opened the account. If client did not receive a Brochure Supplement for the IAR, the client should contact the IAR or LPL at [lpfinancial.adv@lpfinancial.com](mailto:lpfinancial.adv@lpfinancial.com). With respect to GWP services provided by an Advisor (rather than one of LPL's IARs), clients should refer to the Advisor's Form ADV brochure or contact the Advisor for more information.





## BROCHURE SUPPLEMENTS

August 28, 2023

Marc Andrew Zabicki  
Louis James Carpenetti  
Garrett Fish  
Jason Hoody  
Kristian Kerr

Jeffrey Roach  
Adam Turnquist  
Lawrence Dean Gillum  
Jina Yoon  
Quincy Krosby

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Jeffrey Alan Buchbinder

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George Smith

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San Diego, CA 92121  
(858) 450-9606

These Brochure Supplements provide information about certain LPL employees or officers that supplements the LPL Financial Brochure that is attached to these Brochure Supplements. Please contact LPL Financial at the number above if you did not receive the LPL Financial Brochure or if you have any questions about the contents of these Brochure Supplements. You may also contact your LPL investment advisor representative with questions. Additional information about these LPL employees or officers is available on the SEC's website at <https://adviserinfo.sec.gov/>.

Note that although these LPL employees or officers included in these Brochure Supplements are responsible for investment advice provided by LPL they are not the IARs responsible for the ongoing individualized investment advice provided to a particular client. For more information about the IAR managing the account, client should refer to the Brochure Supplement for the IAR, which should have been provided by the IAR along with the LPL Financial Brochure and these Brochure Supplements at the time client opened the account. If client did not receive a Brochure Supplement for the IAR, the client should contact the IAR or LPL at [lplfinancial.adv@lplfinancial.com](mailto:lplfinancial.adv@lplfinancial.com).

### **Marc Andrew Zabicki**

#### **Educational Background and Business Experience**

Marc Zabicki was born in 1966. He has a BS in Economics from Florida State University and he is a Chartered Financial Analyst (CFA). He is Chief Investment Officer and the Director of Research for LPL Research and has been with the firm since 2020. Prior to joining LPL, he was Chief Investment Officer at Bower Hill Capital Management.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Zabicki is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Zabicki receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could

incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Zabicki is responsible for the advice provided by the LPL Research Department through LPL's advisory programs, and he reports to Rob Pettman, Executive Vice President. The advice provided by Mr. Zabicki is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The Chief Compliance Officer ("CCO"), Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.



## **BROCHURE SUPPLEMENTS**

### **Louis James Carpenetti**

#### **Educational Background and Business Experience**

Louis James Carpenetti was born in 1971. He has a BS in Management from Palm Beach Atlantic University, an MBA from Georgia College & State University, a CFA Charterholder and has earned the CFP® certification. He is Senior Vice President of Trading at LPL and joined LPL in July 2021. Prior to joining LPL, Mr. Carpenetti was Managing Director for Truist for 22 years serving in a variety of management and trading capacities.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Carpenetti is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Carpenetti receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

As Senior Vice President, Mr. Carpenetti is responsible for trade execution in LPL's advisory programs, subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Garrett Fish**

#### **Educational Background and Business Experience**

Garrett Fish was born in 1969. He has a BA in Japanese History from Bates College and is a CFA Charterholder. He

is a Senior Vice President and Head of Model Portfolio Management at LPL and joined LPL in 2022. Prior to joining LPL, Mr. Fish was a Portfolio Manager at JPMorgan Asset Management.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Fish is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Fish receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Fish reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Fish is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Jason Hoody**

#### **Educational Background and Business Experience**

Jason Hoody was born in 1975. He has a BS in Political Science from Clarkson University, an MA in International Affairs from American University, an MS in Finance from Johns Hopkins University, and is a CFA Charterholder. He is a Senior Vice President in Research at LPL and joined LPL in 2015. Prior to joining LPL, he was a Vice President at BB&T and an analyst at KPMG.



## **BROCHURE SUPPLEMENTS**

### **Disciplinary Information**

None.

### **Other Business Activities**

None.

### **Additional Compensation**

Mr. Hoody receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Hoody reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Hoody is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Kristian Kerr**

#### **Educational Background and Business Experience**

Kristian Kerr was born in 1977. He has a BBA in International Business from Schiller International University in Madrid, Spain. He is a Senior Vice President and the Head of Macro Strategy at LPL and joined LPL in 2023. Prior to joining LPL, Mr. Kerr worked at Citi Private Bank as the Western Region Head of Foreign Exchange & Macro.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Kerr does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

### **Additional Compensation**

Mr. Kerr receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Kerr reports to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Kerr is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Jeffrey Roach**

#### **Educational Background and Business Experience**

Jeffrey Roach was born in 1973. He has a BS in Mathematics from Bob Jones University and a MA and PhD in Economics from Clemson University. He is Chief Economist at LPL and joined LPL in 2022. Prior to joining LPL, Dr. Roach was Senior US Economist for Visa Inc, Managing Director, Economist at MacroView Partners and Chief Economist at Horizon Investments.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Dr. Roach is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Dr. Roach receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based



## BROCHURE SUPPLEMENTS

on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### Supervision

Dr. Roach reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Dr. Roach is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### Adam Turnquist

#### Educational Background and Business Experience

Adam Turnquist was born in 1984. He has a BS from the University of Minnesota-Duluth and an MBA from the University of St. Thomas. He is Chief Technical Strategist and joined LPL in 2022. Prior to joining LPL, Mr. Turnquist worked as a Vice President, Technical Research Analyst at Piper Sandler.

#### Disciplinary Information

None.

#### Other Business Activities

Mr. Turnquist is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### Additional Compensation

Mr. Turnquist receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing

the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### Supervision

Mr. Turnquist reports up to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Turnquist is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### Lawrence Dean Gillum

#### Educational Background and Business Experience

Lawrence Gillum was born in 1974. He has a BS from University of Florida and a Master in Business Administration from the University of North Carolina, Keenan Flagler Business School. He is Vice President of Research at LPL and joined LPL in 2021. Prior to joining LPL, Mr. Gillum served as a Director at Raymond James where he oversaw fixed income research within the firm's discretionary model platform.

#### Disciplinary Information

None.

#### Other Business Activities

Mr. Gillum is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### Additional Compensation

Mr. Gillum receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return,



## **BROCHURE SUPPLEMENTS**

and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Gillum reports up to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Gillum is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Jina Yoon**

#### **Educational Background and Business Experience**

Jina Yoon was born in 1983. She has a BS and MEng from Cornell University. She is Chief Alternate Investment Strategist at LPL and joined LPL in 2023. Prior to joining LPL, Ms. Yoon was the Head of Portfolio Management & Senior Portfolio Manager at Nomura Private Capital. Prior to Nomura, she served both Institutional and Private Wealth Clients as the Head of Tactical Strategies at Credit Suisse.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Ms. Yoon does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Ms. Yoon receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Ms. Yoon reports up to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Ms. Yoon is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Quincy Krosby**

#### **Educational Background and Business Experience**

Quincy Krosby was born in 1948. She has an MPhil and PhD from The London School of Economics. She is Chief Global Strategist at LPL and joined LPL in 2022. Prior to joining LPL, Ms. Krosby worked at Prudential Financial as Chief Market Strategist.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Ms. Krosby is a registered representative of LPL. However, she does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Ms. Krosby receives a regular salary.

### **Supervision**

Ms. Krosby reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. This is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.





## **BROCHURE SUPPLEMENTS**

### **Jeffrey Alan Buchbinder**

#### **Educational Background and Business Experience**

Jeffrey Alan Buchbinder was born in 1971. He has a BA in Economics from Northwestern University and an MBA from Duke University. He is Chief Equity Strategist and Portfolio Manager for LPL Financial Research and has been with the firm since 2003. Prior to joining LPL, he served as an Equity Research Associate at Sanford C. Bernstein. Prior to Bernstein, he was an Equity Research Associate at Deutsche Bank.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Buchbinder is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Buchbinder receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Buchbinder reports up to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Buchbinder is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **George Smith**

#### **Educational Background and Business Experience**

George Smith was born in 1983. He has a BS in Mathematics from the University of Bristol in the United Kingdom (UK). He is Portfolio Strategist at LPL and joined LPL in 2013. Prior to joining LPL, Mr. Smith worked in London, UK for Legal and General Investment Management (LGIM) and Goldman Sachs Asset Management (GSAM).

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Smith is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Smith receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Smith reports up to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Smith is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

