



Lincoln Investment Planning, LLC  
Wrap Fee Program Brochure

**As of March 30, 2020**

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You may also visit us on the web at [www.lincolninvestment.com](http://www.lincolninvestment.com).

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Lincoln Investment Planning, LLC, a registered investment adviser with the U.S. Securities and Exchange Commission (SEC). If you have any questions about the contents of this brochure, please contact us at (800) 242-1421. The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Furthermore, registration with the SEC does not imply a certain level of skill or training.

Additional information about Lincoln Investment Planning, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

*Below are material changes that have occurred in Lincoln Investment's sponsored Wrap Fee Programs since the firm's last Form ADV Part 2A Appendix I in March 2019. This information is being provided so that you can continue to make informed decisions about your investments with Lincoln Investment Planning, LLC.*

**The following is provided as an update to Lincoln Investment's Form ADV 2A Appendix 1 Item 4, Advisory Business, and Appendix I Item 4, Services, Fees and Compensation:**

**Our Fiduciary Role.** Lincoln Investment and your Advisor assume a fiduciary duty to provide to you investment recommendations that are in your best interest. This fiduciary duty extends to all advisory accounts that you maintain with us, but such fiduciary duty does not extend to brokerage or other non-advisory accounts or investments. The level of monitoring in your advisory account will depend on the type of account and the advisory program you select. Where Lincoln has full discretionary trading authority over your Lincoln Investment Asset Management Program advisory account, Lincoln will provide ongoing monitoring and will make changes in your account as deemed necessary. For all other advisory accounts, you and your Advisor will review your advisory account's objectives, investments and performance relative to your objectives and financial situation at least annually to allow your Advisor the opportunity to recommend changing or maintaining the objectives or investments in your account.

**The following is provided as an update to Lincoln Investment's Form ADV 2A Appendix 1 Item 5, Fees and Compensation, Other Compensation and Appendix I Item 4, Services, Fees and Compensation:**

**Flat Fee Sponsors.** In 2019, the financial support from Flat Fee Sponsors paid to Lincoln Investment, as allocated by assets across all investment advisory assets with Lincoln Investment Planning, LLC and its affiliated investment adviser, Capital Analysts, LLC, did not exceed 1.5% of total revenue for either of the affiliated registered investment advisers and in aggregate was less than one percent of the combined revenue for both affiliated registered investment advisers. We do not believe that these revenues are material. In 2019, Flat Fee Sponsors who compensated Lincoln Investment with a flat fee payment, which is not based on assets, sales or accounts, and offer a fund or advisory program that could be used in your advisory programs, in order from highest to lowest payment were Russell Investments, Meeder Funds, ICON Funds, CLS Investments, JPMorgan Funds, American Funds, Franklin Templeton Group, Clark Capital Management, Lord Abbett, StoneCastle (administers The Federally Insured Cash Deposit Program), Security Benefit Life, Prudential, DoubleLine Funds, Federated Investors Funds, Putnam Investments, and Invesco Investment Services.

**Pershing Revenue Sharing and Expense Credit with Lincoln Investment; Money Market and Cash Deposit Fees.** For advisory accounts held on Pershing LLC's platform, Pershing provides a credit against expenses to Lincoln Investment, as introducing broker-dealer, based on the total asset value of all accounts maintained on the Pershing platform and based on the total number of investor accounts on Pershing, pursuant to a written agreement with Pershing LLC. This revenue does not vary with respect to the investment choices/recommendations made in your Pershing account. Lincoln does not refund or offset this revenue sharing against advisory fees paid by clients whose advisory assets are on Pershing. Additionally, Pershing LLC shares revenue with Lincoln Investment through a portion of the Shareholder Service Fee paid by Federated Funds on the Federated Money Market Cash Sweep Options, and a portion of the gross interest rate yield from the Interlink and Dreyfus Bank Cash Deposit Sweep Options that are available to you for investment through us. This revenue compensates Lincoln for the administrative expenses of assisting in the establishment and administration of these money market and cash deposit

accounts. Other financial services firms and third parties could offer the same or similar money market sweep options and cash deposit sweep options at a lower overall cost to the investor than is available through your Lincoln Investment account or you could invest directly with the product provider. Overall, the annual revenue and credits received by Lincoln Investment from Pershing represent approximately 1.00% of Lincoln's total revenue and approximately 0.01% additional compensation based on total Lincoln Investment advisory assets on Pershing. For example, this means that if you pay Lincoln Investment an annual advisory fee of 1.00 % on advisory assets, Lincoln Investment is also earning approximately 0.01% on your assets from Pershing, for total compensation of approximately 1.01%. We do not believe this revenue is material to Lincoln Investment. This revenue is not shared with your Advisor. Your Advisor has the ability to waive the advisory fee on all Cash Sweep Options, should you request it. The receipt of revenue sharing with Pershing and expense credits by Pershing creates a conflict of interest to Lincoln Investment to use Pershing as a custodian over other custodians that do not share these fees, do not provide expense credits or that would share lesser amounts

### Item 3: Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents .....	4
Item 4: Services, Fees and Compensation .....	5
Item 5: Account Requirements and Types of Clients .....	19
Item 6: Portfolio Manager Selection and Evaluation.....	20
Item 7: Client Information Provided to Portfolio Managers .....	26
Item 8: Client Contact with Portfolio Managers .....	26
Item 9: Additional Information .....	26

Brochure Supplement(s) included:

- Form ADV Part 2A
- Investment Management & Research Team Brochure Supplement (Form ADV Part 2B)

**Lincoln Investment’s Form ADV Part 2A, Items 1 - Item 17, is included and to be delivered together with this Lincoln Investment Form ADV Part 2A – Appendix I.**

#### Item 4: Services, Fees, and Compensation

*This section will describe the wrap fee programs sponsored by Lincoln Planning, LLC ("Lincoln" or "Lincoln Investment"), how we tailor these programs to your individual needs, and which of our wrap fee programs allows you to impose investment restrictions. This section also provides a description of our wrap fees, how and when these wrap fees are collected, and if refunds are available. Other types of fees and expenses that you may incur are described below in the section titled, "Other Costs That You May Incur." Other types of compensation that Lincoln Investment and your Advisor could receive, which could create a conflict of interest, are described below in the section titled, "Other Compensation to Lincoln Investment and Our Conflicts of Interest."*

**Our Fiduciary Role.** Lincoln Investment and your Advisor assume a fiduciary duty to provide to you investment recommendations that are in your best interest. This fiduciary duty extends to all advisory accounts that you maintain with us, but such fiduciary duty does not extend to brokerage or other non-advisory accounts or investments. The level of monitoring in your advisory account will depend on the type of account and the advisory program you select. Where Lincoln has full discretionary trading authority over your Lincoln Investment Asset Management Program advisory account, Lincoln will provide ongoing monitoring and will make changes in your account as deemed necessary. For all other advisory accounts, you and your Advisor will review your advisory account's objectives, investments and performance relative to your objectives and financial situation at least annually to allow your Advisor the opportunity to recommend changing or maintaining the objectives or investments in your account.

#### **General Information Regarding Wrap Fee Programs**

A Wrap Fee Program is an investment advisory program in which you pay one bundled fee to compensate Lincoln Investment and your Advisor for their services *and* to pay the transaction and clearing costs associated with transactions in the your advisory account. Lincoln Investment offers Wrap Fee Programs in addition to the advisory services described in the Form ADV Part 2A Brochure attached.

Lincoln's Wrap Fee Programs are offered on brokerage platforms where such securities as mutual funds, stocks, bonds, exchange traded funds ("ETFs"), exchange traded notes ("ETNs") and options, all of which have trading costs associated with them, are offered. The Wrap Fee is not based directly upon the actual transaction or execution costs of the transactions in your account.

Depending on the underlying investments and amount of transactions you expect to be executed in your account, a Wrap Fee account may cost you more than if you chose another Lincoln Investment advisory program that does not offer a Wrap Fee, or if you chose to pay separately for all of your transaction costs (e.g., pay the advisory fee plus all ticket charges). In general, you should only choose a Wrap Fee Program if you or your Advisor expect to trade regularly in the account.

Similarly, if you are interested in a mutual fund-only portfolio or an ETF-only portfolio, then a Wrap Fee Program may not be the lowest cost option for you. Pershing offers a number of funds and ETFs on both their No Transaction Fee menu and their Transaction Fee menu. Lincoln Investment's SOLUTIONS Premier platform has no transaction costs on mutual fund trades, but may also not be available to all registrations or tax types, and it also invests in some No Transaction Fee funds which can be more expensive than Transaction Fee funds. Lincoln Investment has an incentive in a Wrap Fee account at Pershing to utilize mutual funds and ETFs with no transaction fees to minimize the costs that will be assumed by the firm on your behalf. Your Advisor will review your investment objectives with you to determine the best offering for you.

Your Advisor will work with you to recommend a Wrap Fee Program(s) based on your confidential investor profile, in which you provide to Lincoln Investment and your Advisor personal and financial information including, but not limited to, your investment goals, income requirements, time horizon, and tolerance for risk in order to tailor his or her recommendations to your needs and objectives.

You may not have the opportunity to place reasonable restrictions on the types of investments that are purchased in certain Wrap Fee Programs. Please contact your Advisor to discuss any allowable investment restrictions in the Wrap Fee Program(s) you have selected. Further details regarding your specific Wrap Fee Program can be found in your investment advisory agreement.

You could purchase services similar to those offered in Lincoln's Wrap Fee Programs separately from affiliated investment advisers and unaffiliated financial services providers. Wrap Fee Programs may cost you more or less than purchasing the services from another investment adviser. Some cost factors to consider, other than the Wrap Fee itself, when considering an investment advisory offering include:

- Account custody fees
- Account maintenance and special handling fees, such as wire funds fees
- Volume of trading activity anticipated in your account
- Commissions or ticket charges to be charged in lieu of a Wrap Fee
- Account termination fees
- Account statement and confirmations fees

You should review the costs for each of the management services separately, as well as mutual fund and ETF fees and expenses where applicable, when analyzing the cost of Lincoln's Wrap Fee Programs. Please contact your Advisor for a schedule of fees and costs associated with our Wrap Fee Program(s).

Your Advisor receives a portion of the Wrap Fee you pay. The amount of this compensation may be more than what your Advisor would receive from other advisory services offered by Lincoln, or more than if you paid separately for investment advice, brokerage, and other services. Your Advisor may have an incentive to recommend a Wrap Fee Program over other programs or services.

### **Description of Wrap Fee Programs and Fees**

Lincoln Investment sponsors and currently offers the following Wrap Fee Programs.

<i><b>Lincoln Managed Wrap Fee Programs and Fees</b></i>						
<b>Wrap Fee Program Name</b>	<b>Discretionary Program</b>	<b>Types of Securities Offered</b>	<b>Lincoln's Max. Wrap Fee<sup>1</sup></b>	<b>Third Party Adviser Fee</b>	<b>Minimum Investment</b>	<b>Custodian of Assets</b>
Adaptive Intelligence Models (AIM) ETF	Yes – Investor will grant written discretionary authority to Lincoln Investment	Exchange-Traded Funds (ETFs) only	Max Advisor Fee: 1.25% Max Program Sponsor Fee: 0.45% Max Total Fee: 1.70%	N/A	\$50,000	Pershing LLC

<sup>1</sup>Advisor fee is negotiable. The Annual Program Sponsor Fee is reduced further for assets over \$500,000, as shown below.

<b><i>Fees for AIM ETF on Pershing</i></b>					
<b>Assets</b>	<b>Maximum Financial Advisor Fee</b>		<b>Maximum Annual Program Sponsor Fee</b>		<b>Maximum Total Fee</b>
First \$500,000	1.25%	+	0.45%	=	1.70%
Next \$500,000	1.05%	+	0.40%	=	1.45%
Next \$1,000,000	0.85%	+	0.35%	=	1.20%
Over \$2,000,000	0.80%	+	0.30%	=	1.10%

<b><i>Advisor Managed and Third Party Managed Wrap Fee Programs and Fees</i></b>						
<b>Wrap Fee Program Name</b>	<b>Discretionary Program</b>	<b>Types of Securities Offered</b>	<b>Lincoln's Max. Wrap Fee<sup>1</sup></b>	<b>Third Party Adviser Fee</b>	<b>Minimum Investment</b>	<b>Custodian of Assets</b>
GPS Advisor Series (Advisor Managed)	Varies - Your Advisor can act with discretionary authority, but only if he or she has been (1) approved by Lincoln Investment for discretion; and (2) authorized in writing by you.	General Securities	Max Advisor Fee: 1.25% Max Program Sponsor Fee: 0.40% Max Total Fee: 1.65%	N/A	\$25,000	Pershing LLC
GPS Manager Series (Third-Party Managed)	Yes – Investor will grant written discretionary authority to the Third Party Money Manager	General Securities	Max Advisor Fee: 1.25% Max Program Sponsor Fee: 0.35% Max Total Lincoln Fee: 1.60%	You will be assessed an additional third party money manager fee which varies depending on the manager(s) selected for your portfolio.	Subject to Third Party Money Manager's Minimum	Pershing LLC
GPS Allocation Series (Third-Party Managed only) <sup>2</sup>	Yes – Investor will grant written discretionary authority to the Third Party Money Manager	General Securities	Max Advisor Fee: 1.25% Max Program Sponsor Fee: 0.55% Max Total Lincoln Fee: 1.80%	You will be assessed an additional third party money manager fee which varies depending on the manager(s) selected for your portfolio.	Subject to Third Party Money Manager's Minimum	Pershing LLC

<sup>1</sup>Advisor fee is negotiable. The Annual Program Sponsor Fee is reduced further for assets over \$500,000, as shown below.

<sup>2</sup>Lincoln acts a Money Manager for certain model portfolios that are closed to new business effective October 1, 2019.

<b><i>Fees for GPS Advisor Series (Advisor Managed)</i></b>					
<b>Assets</b>	<b>Maximum Financial Advisor Fee</b>		<b>Maximum Annual Program Sponsor Fee</b>		<b>Maximum Total Fee</b>
First \$500,000	1.25%	+	0.40%	=	1.65%
Next \$500,000	1.07%	+	0.30%	=	1.37%
Next \$1,000,000	0.89%	+	0.25%	=	1.14%
Over \$2,000,000	0.73%	+	0.15%	=	0.88%

<b><i>Fees for GPS Manager Series (Third Party Managed)</i></b>					
<b>Assets</b>	<b>Maximum Financial Advisor Fee</b>		<b>Maximum Annual Program Sponsor Fee</b>		<b>Maximum Total Lincoln Fee*</b>
First \$500,000	1.25%	+	0.35%	=	1.60%
Next \$500,000	1.07%	+	0.30%	=	1.37%
Next \$1,000,000	0.89%	+	0.25%	=	1.14%
Over \$2,000,000	0.73%	+	0.25%	=	0.98%

\*You will be assessed a third party money manager fee in addition to the Maximum Total fee shown above. This additional fee varies depending on the manager(s) selected for your portfolio.

<b><i>Fees for GPS Allocation Series (Third Party Managed)</i></b>					
<b>Assets</b>	<b>Maximum Financial Advisor Fee</b>		<b>Maximum Annual Program Sponsor Fee</b>		<b>Maximum Total Lincoln Fee*</b>
First \$500,000	1.25%	+	0.55%	=	1.80%
Next \$500,000	1.07%	+	0.45%	=	1.52%
Next \$1,000,000	0.89%	+	0.45%	=	1.34%
Over \$2,000,000	0.73%	+	0.40%	=	1.13%

\* You will be assessed a third party money manager fee in addition to the Maximum Total Fee shown above. This additional fee varies depending on the manager(s) selected for your portfolio.

The services and costs covered by the Wrap Fee are:

- Life and Financial Planning Consultation by your Advisor, as needed or requested by you;
- Investment advice provided by Lincoln Investment and your Advisor;
- Investment management provided by your Advisor or a Third Party Money Manager(s);
- Clearing and trading costs associated with transactions in the account, such as ticket charges, surcharge fees for certain no load and load waived funds, confirmation fees, and any inactivity fees assessed on the account; and
- Ongoing monitoring of your advisory account(s).

However, your Wrap Fee will *not* cover standard account administrative fees such as statement fees, electronic fund and wire transfer charges, annual IRA custodial fees, and termination fees.

Fees may be lower depending on many factors including, but not limited to, the amount of money invested in the Wrap Fee Program. Ask your Advisor for the breakpoint table for these programs.



## **Advisor Managed Wrap Fee Program**

Your Advisor's role is to earn and maintain a relationship with you to provide you financial and life planning consultation, as needed by you, as well as investment advice services which include assisting you in the determination of the appropriate investment advisory investments and/or advisory programs for you, conversing with you on an as-needed or as requested basis, to ensure that the investments and programs continue to meet your stated objectives and needs. Some advisors may also provide supplemental reports on a periodic basis to assist you in evaluating the effectiveness of the investments and advisory program(s). Advisors provide either periodic or ongoing investment advice to their clients, and certain approved Advisors provide ongoing and continuous discretionary portfolio management to their clients. Either way, your Advisor has the responsibility to make recommendations or select securities based on your needs and objectives. All advice is geared to meet your risk tolerance, income, any investment restrictions, and tax management objectives, if applicable. Portfolio investments in this program typically include ETFs and mutual funds, but may also include other securities such as individual stocks, bonds, ETNs or options.

For those Advisors who have been granted the authority to manage accounts on a discretionary basis, discretionary authority may be exercised within an Advisor Managed Model Portfolio, where your account is managed to the stated objectives of the portfolio, or Client Custom Portfolios, a custom advisor managed portfolio constructed and managed to meet your specific objectives.

## **Third Party Managed Wrap Fee Program**

Lincoln Investment may also act as Co-Adviser to introduce you to a third party money manager in order to provide you with certain unique investment advisory services tailored to your needs. Neither Lincoln Investment nor your Advisor performs the ongoing discretionary asset management in these portfolios; this is provided by the third party money manager. Your Advisor will work with both you to ensure that the managed program continues to meet your needs and goals. As Co-Adviser, Lincoln Investment and your Advisor are responsible to work with you to collect all necessary information and documentation to assist the third-party money manager in managing your assets, and to answer any questions you may have about the managed portfolio(s).

## **Additional Information Regarding Wrap Program Fees**

The Wrap Fee Programs described above may cost more or less than if you were to purchase such services separately. Certain factors, such as trading frequency, can impact the cost effectiveness of such Wrap Fee Programs. Generally, in an account where there is infrequent trading, a regular brokerage account incurring transaction fees along with the separate purchase of such investment advice for a fee may be less expensive.

The Wrap Fee may cover various services rendered and costs incurred under the selected program including Client-Advisor Consultations, transaction costs, investment management, and performance reporting. However, securities transactions executed in your program account(s) may also include mark-ups, markdowns or dealer spreads paid to market makers or other principals from whom securities were obtained. These mark-ups, markdowns or dealer spreads will be retained by the market maker or other principal and will not be credited or reimbursed to your account or to Lincoln.

For all Wrap Programs offered by Lincoln, your Wrap Fee will be assessed on a quarterly basis in advance of the calendar quarter and will be based on the account value on the last business day of prior calendar quarter. The specific manner in which advisory fees are calculated and charged is established in your written advisory agreement with Lincoln. In your investment advisory agreement, you must also

authorize Lincoln Investment to directly debit advisory fees from your account. Advisory fees are in most cases automatically deducted on a quarterly basis in advance from cash/money market positions or by liquidating assets held within the account. Lincoln Investment may waive or negotiate advisory fees at our sole discretion.

An expense within some mutual fund share class offerings is a Mutual Fund Distribution Fee, also called a 12b-1 Fee, which is paid to Lincoln Investment when Lincoln Investment is the broker-dealer on your advisory account. For all advisory accounts, this fee is either directly refunded to your account, or is credited back to you against your next advisory fee. The manner in which you receive this credit depends on the platform where your advisory assets are held. On SOLUTIONS Premier, the amount of the 12b-1 fee received by Lincoln will be applied as a credit against your next quarterly Premier Account advisory fee. For assets held on the Pershing LLC platform, the amount of the 12b-1 fee received by Lincoln Investment will be refunded directly to your Pershing account. You may still incur a 12b-1 fee expense for any portion of the 12b-1 fee expense that the fund does not share with your broker-dealer custodian. This fee-offset or crediting of 12b-1 fees will alleviate the conflict of interest associated with Lincoln Investment receiving this third party compensation and will also reduce the expense to you associated with purchasing a mutual fund share class which includes a 12b-1 fee expense.

Assets received into an advisory account at any time other than the last business day of a calendar quarter will be subject to a daily pro rata advisory fee for the remaining portion of the quarter. If the calculated advisory fee is less than \$5.00, the fee will be waived and not deducted from the advisory account. Assets withdrawn from an advisory account at any time other than the last business day of a calendar quarter will be eligible for a daily pro rata advisory fee refund for the remaining portion of the quarter. Lincoln will not refund advisory fee refunds that total less than \$5.00.

In general, a client may terminate Lincoln's or its Advisor's advisory services at any time upon written notice to us. The death of an investor also constitutes termination of any agreement with Lincoln, though an executor or other authorized representative may choose to continue services under a new or modified agreement. For advisory accounts billed quarterly in advance of services rendered, upon closing of an advisory account, Lincoln will assess on a daily pro rata basis the amount of the quarterly fee prepaid and unearned by the firm and refund the unearned portion of the quarterly fee to the client. Lincoln will not refund unearned fees that total less than \$5.00. For advisory accounts billed quarterly in arrears of services rendered, upon closing of an advisory account, Lincoln will assess on a daily pro rata basis the amount of the quarterly fee earned by the firm and such amount will be due and payable by the client. Lincoln will waive payment for fees due that are less than \$5.00.

Lincoln Investment offers some employees, its Advisors, and family members a discount or waiver of Wrap Fee Program fees. Threshold levels for initial and interim billing for deposits and withdrawals can vary based on platform and program.

### **Other Costs That You May Incur**

Wrap Fees, and other costs associated with your portfolio, impact the overall performance of your portfolio. It is important to review and consider these costs when making your advisory and investment decisions.

Costs may include the following:

- 1. Mutual Fund 12b-1 Distribution Fees.** An expense within some mutual fund share class offerings is a Mutual Fund Distribution Fee, also called a 12b-1 Fee, which is paid to your broker-dealer. Pershing would typically pass this revenue through to Lincoln as the introducing broker-dealer. To mitigate this financial conflict to Lincoln where we are both introducing

broker-dealer and investment adviser on your account, we have instructed Pershing LLC to refund directly back to your Pershing account the 12b-1 fees received that are related to your advisory account assets. You may still incur a 12b-1 fee expense for any portion of the 12b-1 fee expense that the fund does not share with Pershing LLC. This refunding of 12b-1 fees associated with your advisory account assets will also reduce the expense to you associated with purchasing a mutual fund share class which includes a 12b-1 fee expense.

2. **Internal Expenses.** Internal management fees and other fund fees and expenses charged by the mutual fund or sub-account of a variable annuity (also known as the internal expense). All mutual funds and annuity companies charge a fee for the management and operations of their offerings. Higher internal expenses can adversely affect the long-term performance of your portfolio when compared to share classes of the same fund that assess lower internal expenses. For more complete information regarding the internal expenses of an investment and how they impact your costs and performance, you should read “*Understanding Share Classes within your Investment Advisory Accounts*” below.
3. **Platform Fees.** Lincoln Investment offers its advisory services on various broker-dealer platforms. Each platform assesses different account, service and transaction fees, such as commissions, wire fees, trade-away fees, statement and confirmation fees, retirement plan recordkeeping or custodial fees, and low balance or account termination fees. Please refer to Form ADV Part 2A Brochure, Item 12: *Brokerage Practices* for further information.
4. **Mutual Fund Short-Term Trading Redemption Fees.** Some mutual funds impose short-term trading redemption fees of up to 2% for active trading or exchanging in and out of their funds. This could affect you or your investment advisor’s ability to properly manage your portfolio as these costs will impact the performance of your portfolio or may be an incentive not to trade.
5. **Variable Annuity Rider and Contract Costs.** These costs may include, but are not limited to, annual base annuity contract charges, optional benefit riders, underlying sub-account expenses, and potential surrender fees.
6. **Rights of Accumulation.** Many mutual funds offer rights of accumulation or other sales charge discounts. The mutual fund company may or may not count your assets held in an advisory service as eligible for a reduced sales charge on other mutual fund purchases. You should consult the fund’s prospectus for the product sponsor’s specific rules.

**Retirement Plan Rollovers.** If you decide to roll assets out of a retirement plan, such as a 401(k) plan, into an individual retirement account (“IRA”), we have a financial incentive to recommend that you invest those assets with us because we will be paid an advisory fee on those assets, and other compensation. You should be aware that such fees would likely be higher than those you would pay through the plan, and there can be custodial and other maintenance fees, as described above. As securities held in a retirement plan are generally not transferred to an IRA, 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. For more information about rollovers, see The Lincoln Investment Companies Investor Agreement and Disclosure Handbook

## **Other Compensation to Lincoln Investment and Our Conflicts of Interest**

Lincoln Investment recognizes its fiduciary responsibility to place your interests above ours and that other compensation received by us, or an affiliate, from other sources presents a conflict of interest and could be looked upon by you as an incentive for us to recommend investment products or advisory services

based on compensation rather than on your financial needs. Below is a description of conflicts of interest that we have identified in the conduct of our business that we believe may be material. With many of these conflicts, we have taken steps to mitigate or reduce the conflict.

## **Understanding Share Classes in Lincoln Investment Advisory Accounts**

Mutual funds are common investments for individuals. A mutual fund pools money from many investors and invests the money in securities or other assets. A mutual fund has various expenses that are paid from fund assets. These internal expenses are reflected in the fund's "expense ratio." Such expenses include fees paid to the adviser that manages the fund, operational expenses, and fees paid to the brokers that sell shares of, and provide services to, the fund. These are ongoing fees and expenses charged throughout the life of the mutual fund investment. Fees and expenses are an important consideration in selecting a mutual fund because these charges lower an investor's returns.

A mutual fund frequently offers investors different "share classes." Each class will invest in the same "pool" or portfolio of securities and other assets, but each class will have different fees and expenses and, therefore, different returns. For example, some share classes have higher expense ratios because they pay brokers more for selling or servicing that particular share class. In contrast, other share classes of the same fund may have lower internal fees and expenses. A single mutual fund will often have share classes with different expense ratios, with the share classes that have higher expense ratios generally having lower returns than share classes with lower expense ratios. In other words, an individual investor may pay more, or less, for precisely the same mutual fund investment, depending on the share class.

These internal fees and expenses are in addition to any fees a broker may directly charge customers on particular share classes, such as transaction fees at the time of buying or selling the fund shares and are in addition to the investment advisory fee you will pay.

The expense ratio of a fund is disclosed in the fund's prospectus and annual reports and generally reflects the annual operating costs of the fund, assessed as a percentage of a fund's average assets. The expense ratio within a mutual fund share class can fluctuate from what is shown in a prospectus for the fund offering and annual report and can vary over time and from year to year. A fund that was deemed to have a lower expense ratio at the time of purchase may not actually maintain that expense ratio during the time that the fund is held and new fund share classes may become available with different expense ratios.

Share class selection for your advisory accounts will be based on a range of factors. Lincoln Investment does not make all share classes available to your advisory accounts. While Lincoln Investment will generally seek to designate a single share class of a mutual fund for purchase in your advisory accounts, designated share classes will likely vary among custodial platforms and more than one share class can be purchased and held in advisory accounts. Factors we consider in share class selection, include, but are not limited to, the net expense ratio of the share classes (the expense ratio of the fund less any 12b-1 fee revenue that is paid out of the fund expense and then credited back to you), a net expense tracking error of ten basis points (0.10 %) based on the prospectus net expense ratio as provided by Morningstar, prospectus 12b-1 distribution fee as provided by Morningstar, whether a portfolio is a discretionary managed portfolio or a non-discretionary managed portfolio, the availability of share classes on various custodial platforms, whether particular share classes are subject to transaction fees ("TF") or do not have transaction fees ("NTF") on the custodial platform used, operational considerations such as share class consistency within a fund family on a particular custodial platform (as described below), the availability of account minimum waivers, tax and other circumstances that are unique to particular clients. Expense tracking error refers to an acceptable margin that Lincoln Investment considers when comparing share class costs since share class expense ratios can fluctuate over time. Share class consistency refers to the objective of utilizing the same share class for all or a majority of the mutual funds within a fund family on a particular custodial platform to support consistency and efficiency. This objective may not always be

achieved and more than one share class could be purchased and held. Generally, Lincoln Investment will only consider a share class for share class consistency if the differential between the share classes being considered is ten basis points (0.10%) or less based on the prospectus net expense ratio as provided by Morningstar, taking into account the prospectus 12b-1 distribution fee as provided by Morningstar. If not within this range, then multiple share classes of a fund family could be available on a custodial platform.

Generally, only NTF funds will be available for new fund purchases in your advisory accounts. However, TF funds will be purchased if the NTF fund in the same mutual fund is not available on the applicable custody platform, subject to the purchase being eligible for investment minimums or investment waivers, or was already owned in the portfolio prior to the implementation of this share class policy.

A fund share class on one custodian's platform may be an NTF fund while on a different custodian's platform may be a TF fund, or vice versa and the lists of NTF and TF funds available on custodian's platform change over time. The expense ratio for TF funds will generally be lower than that for NTF funds, but the purchase and sale of TF funds is subject to additional transaction fees and other charges that increase the cost of investment. Trading in TF funds can increase the cost to either the client or the firm subject to the size of the transaction, the amount of trading that is done in the fund, and the ticket charges that are assessed. Lincoln Investment and its Advisors are not under an obligation to pay the transaction fees and other charges associated with investments in TF funds on your behalf, unless you are in a Wrap Fee Program. However, if Lincoln Investment does assume these costs, then it has a financial incentive to select NTF funds in its Wrap Fee programs to avoid paying or to lower mutual fund transaction charges. This creates a conflict of interest for Lincoln Investment to select a NTF mutual fund in a Wrap Fee program because Lincoln Investment would incur less expense and generate more revenue than if Lincoln Investment selected a TF fund. When selecting a share class of a mutual fund for its platform and when recommending a mutual fund to you, Lincoln Investment and your Advisor have a conflict of interest because the selection or recommendation of a more expensive share class results in greater net after cost compensation to Lincoln Investment. The use of NTF funds can serve to minimize the potential for an overall increase in advisory fees charged to clients. If Lincoln Investment or your Advisor were to incur transaction fees, Lincoln Investment and/or your Advisor would likely charge higher advisory fees or increase other charges to clients for the services provided.

Lincoln Investment and your Advisor can purchase, hold, and recommend mutual fund investments in share classes in your advisory accounts that are not the lowest cost share class and that have higher internal expense ratios. You should not assume that you are invested in the lowest cost share class. Since you could be invested in a higher expense share class, the returns in these investments will be lower, which could reduce performance over time. Other financial services firms and third parties may offer the same mutual fund at a lower overall cost to the investor than is available through your Lincoln Investment account or you could invest in the mutual fund directly.

Lincoln Investment may, in its discretion, determine to convert your mutual fund positions held in one share class to a different share class. Such share class conversions will occur as deemed appropriate by Lincoln Investment and will be reflected on your account statement. Lincoln Investment will consider various factors when considering share class conversions in your advisory accounts, including but not limited to the net expense ratio of the share classes, whether your account is subject to taxation, the difference in the expense ratio between share classes and whether the difference exceeds an expense tracking error of ten basis points (0.10%) based on the prospectus net expense ratio as provided by Morningstar, taking into account the prospectus 12b-1 distribution fee as provided by Morningstar, operational considerations such as share class consistency, the share class designated by Lincoln Investment for initial purchases, your investment preferences and the amount of potential taxable gains or losses to which you could be subject. The ability and length of time to effect a share class conversion will vary by custodial platform and is subject to prospectus requirements and custodial platform approval. Lincoln Investment will periodically compare the share classes of your funds with the share classes

offered by the fund and available to the firm and your account. If, as a result of such review, the Firm initiates a share class conversion, the new share class will appear on your account statement. Lincoln Investment will not consider converting your mutual fund position held in a lower expense share class of the same fund to a more expensive share class of the same fund unless the difference between the lower expense share class and the more expensive share class is less than or equal to the expense tracking error of ten basis points (0.10%) based on the prospectus net expense ratio as provided by Morningstar, taking into account the prospectus 12b-1 distribution fee as provided by Morningstar. A share class that is not liquidated or converted during a periodic review can continue to be held but additional purchases of that share class can be restricted. Generally, if a client has a previously established systematic purchase plan to purchase a fund share class that is not on the designated list, the client will be permitted to continue purchasing that share class for a limited period of time. Through the conversion process, you should not assume that you are or will be invested in the lowest expense share class, and the share class of a mutual fund offered by Lincoln Investment can have higher expenses, and therefore lower returns, which can reduce performance over time, than other share classes of that mutual fund for which you are eligible or that may otherwise be available to you if you invested in the mutual fund through a third party or through the mutual fund directly.

Lincoln Investment's mutual fund share class selection policy for advisory accounts applies to those advisory programs custodied at Pershing, LLC or Lincoln Investment and where Lincoln Investment initiates the transaction and there is more than one share class available in the advisory offering.

When determining the reasonableness of any fees and expenses you agree to pay to Lincoln Investment, you should consider both the fees and expenses that Lincoln Investment charges to your account for its services and those of your Advisor, as well as any indirect fees and expenses that you pay in connection with any investment in share classes of mutual funds that bear expenses greater than other share classes for which are otherwise eligible. Information about the mutual funds and share classes that are available through your account, including their investment policies, restrictions, charges, and expenses, is contained in the mutual funds' prospectuses. You should read these prospectuses carefully. Please contact your Advisor for additional information on share class selection practices and related fees and expenses.

### **Third Party Payments from Pershing LLC**

**Pershing Revenue Sharing and Expense Credit with Lincoln Investment; Money Market and Cash Deposit Fees.** For advisory accounts held on Pershing LLC's platform, Pershing provides a credit against expenses to Lincoln Investment, as introducing broker-dealer, based on the total asset value of all accounts maintained on the Pershing platform and based on the total number of investor accounts on Pershing, pursuant to a written agreement with Pershing LLC. This revenue does not vary with respect to the investment choices/recommendations made in your Pershing account. Lincoln does not refund or offset this revenue sharing against advisory fees paid by clients whose advisory assets are on Pershing. Additionally, Pershing LLC shares revenue with Lincoln Investment through a portion of the Shareholder Service Fee paid by Federated Funds on the Federated Money Market Cash Sweep Options, and a portion of the gross interest rate yield from the Interlink and Dreyfus Bank Cash Deposit Sweep Options that are available to you for investment through us. This revenue compensates Lincoln for the administrative expenses of assisting in the establishment and administration of these money market and cash deposit accounts. Other financial services firms and third parties could offer the same or similar money market sweep options and cash deposit sweep options at a lower overall cost to the investor than is available through your Lincoln Investment account or you could invest directly with the product provider. Overall, the annual revenue and credits received by Lincoln Investment from Pershing represent approximately 1.00% of Lincoln's total revenue and approximately 0.01% additional compensation based on total Lincoln Investment advisory assets on Pershing. For example, this means that if you pay Lincoln Investment an annual advisory fee of 1.00 % on advisory assets, Lincoln Investment is also earning

approximately 0.01% on your assets from Pershing, for total compensation of approximately 1.01%. We do not believe this revenue is material to Lincoln Investment. This revenue is not shared with your Advisor. Your Advisor has the ability to waive the advisory fee on all Cash Sweep Options, should you request it. The receipt of revenue sharing with Pershing and expense credits by Pershing creates a conflict of interest to Lincoln Investment to use Pershing as a custodian over other custodians that do not share these fees, do not provide expense credits or that would share lesser amounts.

**Pershing Margin Participation.** For advisory and brokerage accounts held on Pershing's platform, Pershing shares a portion of the interest that you pay on margin with Lincoln Investment, as introducing broker-dealer, pursuant to a written agreement with Pershing, LLC. The receipt of revenue sharing with Pershing creates a conflict of interest to Lincoln Investment to use Pershing as custodian over other custodians that do not share these fees. Lincoln Investment mitigates this conflict by disclosing it to you and by not sharing it with your Advisor.

**Account Service Fees.** Brokerage Account Fee Schedule for Accounts Held at Pershing LLC. For advisory and brokerage accounts held on Pershing's platform, Pershing charges account service fees and permits Lincoln Investment to mark up our costs for these services, which you pay. These services are identified in the *Lincoln Investment Brokerage Account Fee Schedule for Accounts Held at Pershing, LLC*. The receipt of these mark-ups creates a conflict of interest for Lincoln Investment since it creates an incentive for Lincoln Investment to continue to use Pershing in order to receive fees from mark-ups. Lincoln Investment mitigates this conflict by disclosing it to you and by not sharing the mark-ups with your Advisor.

**Sales & Marketing Support Revenue.** Lincoln Investment receives Sales and Marketing Support as described below and includes Flat Fee Sponsors, Other Sales Support and Asset and Sales Based Sponsors (collectively, "Sales and Marketing Support"). In order to minimize the conflicts associated with the receipt of these fees, Lincoln Investment does not receive Flat Fee Sponsor and Other Sales Support payments that are based on the amount of advisory account assets or advisory account transactions with a particular sponsor, or that are based on ERISA account assets. However, Flat Fee and Other Sales Support Sponsors can compensate us from assets of the mutual fund, the fund's investment manager, distributor or other fund affiliate's assets. While payments out of the fund's investment adviser, distributor or other fund affiliate's revenues or profits are not directly paid from the fund's assets, fund affiliate revenues or profits can, in part, be derived from fees earned for services provided to and paid for by the fund. Payments out of fund assets can lower investor returns and performance over time. Lincoln Investment can also receive Shareholder Services Fees from the same fund families and investment advisers that provides Sales and Marketing Support, and Shareholder Services Fees are in addition to the payment of Sales and Marketing Support fees. These sources of payments are a conflict of interest to Lincoln Investment to recommend and promote those fund families over other fund families that do not provide Sales and Marketing Support or that provide lower amounts of Sales and Marketing Support.

**Flat Fee Sponsors.** Lincoln Investment has partnered with a select group of third party money managers and product sponsors who pay to assist Lincoln Investment in the training and education of Lincoln Investment's Advisors, at Lincoln sponsored events, on such topics as advisory products and services, practice management, tools and technology, consumer education, and policies, rules and regulations. These sponsors provide financial support to Lincoln Investment in the form of a flat-dollar amount that may be amended annually and is not based on the sales of their proprietary products or services. Sponsors can compensate us from fund assets, the fund's investment manager, distributor or other affiliate's assets. Payments made to broker-dealers out of fund assets can lower investor returns and performance over time. Advisors do not share in any portion of these payments so as to mitigate any conflict for an Advisor to recommend one product or money manager over another. This financial support allows Lincoln Investment to defray or offset costs associated with Lincoln sponsored events and other educational and

outreach tools and services. The financial support by these Sponsors to Lincoln Investment presents a conflict of interest.

All Flat Fee Sponsors do not pay Lincoln Investment the same amount, and depending on the amount of the payment from the Flat Fee Sponsor, the access to Lincoln Investment sponsored events may differ. For example, Lincoln Investment holds a number of sales conferences both nationally and regionally throughout the year to educate advisors. The higher the annual flat fee payment, the more events the Flat Fee Sponsor will be invited to attend. Flat Fee Sponsors have more opportunities than other product sponsors and money managers that are not Flat Fee Sponsors to market to and educate Advisors which could pose a conflict to Advisors to offer these sponsors products or services over others. Advisors do not share in any portion of these payments so as to mitigate any such conflict.

In 2019, the financial support from Flat Fee Sponsors paid to Lincoln Investment, as allocated by assets across all investment advisory assets with Lincoln Investment Planning, LLC and its affiliate Capital Analysts, LLC did not exceed 1.5% of total revenue for either of the affiliated registered investment advisers and in aggregate was less than one percent of the combined revenue for both affiliated registered investment advisers. We do not believe that these revenues are material. In 2019, Flat Fee Sponsors who compensated Lincoln Investment with a flat fee payment, and offer a fund or advisory program that could be used in your advisory programs, in order from highest to lowest payment were Russell Investments, Meeder Funds, ICON Funds, CLS Investments, JPMorgan Funds, American Funds, Franklin Templeton Group, Clark Capital Management, Lord Abbett, StoneCastle, Security Benefit Life, Prudential, DoubleLine Funds, Federated Investors Funds, Putnam Investments, and Invesco Investment Services. All offerings by these Flat Fee Sponsors are available on Pershing except the offerings of StoneCastle.

**Other Sales Support.** From time to time, product sponsors and third money managers may assist Advisors in their sales and marketing efforts by subsidizing certain Advisor costs, such as client meetings or workshops, mailings, administrative expenses and technology support. The amount of support is approved by Lincoln Investment and is monitored to ensure that it is not too frequent or excessive. Also, Advisors are invited from time-to-time by product sponsors to due diligence and educational meetings or seminars hosted by the product sponsor or money manager. Lincoln Investment must grant permission to our Advisors to attend any meeting or seminar hosted by a product or advisory service sponsor. Lincoln Investment approves events that are limited to education or due diligence only and allows the product sponsor to provide meals, hotel accommodations and reimbursement to the Advisor, through Lincoln, for travel expenses only. These events represent a nominal portion of revenue that may be received from product sponsors. The education of our Advisors in the offerings that are available to them is a key component of providing prudent investment advice to you. This could be deemed a conflict of interest that will incentivize the advisor to offer one product or money manager over another. This support is not based on client assets or transaction sales.

**Ancillary Sales & Marketing Support Revenue paid to Lincoln Investment that is not tied to your Advisory assets, or the platform where your Advisory assets are held, but is tied to the Non-Advisory assets or transactions in which you may invest**

**Asset and Sales Based Sponsors.** In connection with non-investment advisory (non-fee-based) assets of our investors and in addition to the compensation described above, Lincoln Investment receives Sales and Marketing support from product sponsors, mutual fund companies, insurance companies and other third party providers to assist in the marketing and sales efforts of employees and Advisors (“Asset and Sales Based Sponsors”). The support provided by these sponsors is based on brokerage-only (non-investment advisory) assets and brokerage transactions and not based on your advisory account assets or ERISA assets. We receive compensation from these sponsors in various forms, including as a flat fee, a percentage of the amount of brokerage assets held by investors, a percentage of sales, or any combination



of these methods. The amounts of these payments can vary by the type of product and by provider and can include, but are not limited to, distribution fees and shareholder service fees. In some cases, Asset and Sales Based Sponsors pay additional marketing payments to Lincoln Investment to cover fees to attend conferences. Additionally, some Asset and Sales Based Sponsors make a monthly or quarterly payment or additional monthly or quarterly payment based on the assets you hold in a fund or variable insurance product over a period of time. As you may have both a brokerage account and an advisory account with us, we want you to understand that Lincoln Investment will receive Sales and Marketing Support based on assets or sales in connection with your brokerage account assets and transactions. As Lincoln Investment may be financially incentivized to recommend Asset and Sales Based Sponsors that provide sales and marketing support over others that do not, this is a conflict of interest for Lincoln Investment.

The following is a list of Asset and Sales Based Sponsors in order of high to low total compensation paid to Lincoln Investment as broker-dealer based on non-fee based account assets or sales. The Asset and Sales based Compensation in 2019 was less than \$2.5 million dollars from these product sponsors and represented less than 0.01 percent of the total revenues of Lincoln Investment. We are disclosing this information to you as the providers and products offered by the providers shown below may also be available within our investment advisory offerings.

Security Benefit Life
Invesco Investment Services
Franklin Templeton Group
Jackson National Life Ins Co
Lincoln National Life
Brighthouse Financial
Prudential Annuities Life
AXA Equitable Life Insurance Company
Voya Mutual Funds
Mewbourne Development Corporation
Inland Group
Bluerock
Columbus Life Insurance Company
Federated Investors Funds
Great American Life Ins Co

Pershing LLC, as clearing firm for accounts introduced by Lincoln, shares with the firm a nominal amount of asset based revenue it receives from certain mutual fund companies in non-advisory accounts. As the revenue received from Pershing is non-advisory related and not material, Lincoln Investment is disclosing the conflict that we receive this revenue rather than list each mutual fund product that generated the compensation to the firm.

### **Other Conflicts**

**Ongoing Fiduciary Conflicts.** Lincoln Investment has a supervisory duty to periodically monitor clients' portfolios to ensure suitability of investments and to ensure that the advisory services are being performed in recognition of our fiduciary duty to you, which includes acting in your best interest. A conflict of interest exists if an Advisor is assessing an advisory fee but no services are being performed. Supervision is performed over accounts and Advisors to monitor for activities that could be deemed a breach of our

fiduciary duty to you, including such periodic reviews as accounts where there is no documentation of services being performed and accounts with uninvested cash balances over a 12-month period of time with no rationale for holding such a large cash position in an advisory account. In an advisory relationship, our fiduciary relationship will be most successful if both the client and the Advisor partner to ensure that there is regular and meaningful contact and that the advisory account continues to meet the needs of the client.

**Lincoln's Other Businesses.** Lincoln Investment's principal business is as an investment adviser. The majority of Lincoln Investment's revenue comes from the advisory fees we collect from you. As a broker-dealer, Lincoln Investment also receives compensation from its brokerage business. This compensation comes from securities and insurance product commissions and mutual fund concessions, 12b-1 distribution fees associated with the sale of mutual funds, shareholder service fees, reallowances, trailing commissions from annuity sales, and persistency bonuses on insurance and other sources. Lincoln Investment, acting as both a broker-dealer and registered investment adviser, could be deemed a conflict of interest. This places an additional responsibility on Lincoln Investment to supervise whether a recommendations to open either an advisory account or a commissionable account, or both, is appropriate. You always have the option to purchase advisory services, securities products or insurance through non-affiliated investment advisers, brokers or agents. Lincoln Investment also is affiliated with registered investment adviser, Capital Analysts, LLC, and promotes the services of this investment adviser.

**Your Advisor's Other Businesses.** Your Advisor may have more than one relationship with you – one as an Advisor over an advisory account and one as a Registered Representative/Agent over a non-advisory account where he or she may receive a sales commission for the sale of securities or insurance products which would be in addition to any advisory fees earned on your advisory assets. In these situations, our Advisor may have greater financial incentives to offer you both investment and/or insurance sales as well as advisory services.

Your Advisor may also be associated with Lincoln's affiliated investment adviser, Capital Analysts, LLC. This affiliated relationship presents a conflict of interest. Through his or her affiliation with Lincoln Investment and possibly with Capital Analysts, your Advisor may be in a position where he or she can offer the same or similar advisory services to you for different fees and compensation structures. If an identical Sub-Advisor or strategy is available through two affiliated registered investment advisers, you may pay higher fees for an advisory service that is similarly offered through another affiliated investment adviser. You always have the option to purchase advisory services, securities products or insurance through non-affiliated investment advisers, brokers or agents.

Lincoln Investment pays out to each Advisor a contracted percentage of the Advisor's fee. This percentage varies by Advisor based on such variables as Advisor experience, type of contract the Advisor has with the firm, amount of investor assets with the firm, and the amount of investor assets invested in the Asset Management Programs managed by the IM&R Team. This creates a conflict of interest for Advisors to recommend Lincoln Investment's offerings over other third party advisory offerings. Most of Lincoln's Advisors are independent contractors who may also offer other non-security financial services and products, such as life, health, disability, long term care and fixed annuity insurance products, and real estate. These services may be offered independent of The Lincoln Investment Companies.

**Sales Incentives.** Lincoln Investment offers sales contests that may provide additional incentives to your Advisor to offer advisory services managed by the IM&R Team over third party advisory services. Lincoln Investment offers sales contests based on such criteria as gross compensation to the Advisor, new accounts, and net sales of advisory programs. These contests may provide your Advisor with a conflict of interest and an incentive to offer you fee-based advisory services over commission-based brokerage

services and advisory services managed by the IM&R Team over third party advisory services. Top achievers in these contests may receive Lincoln-sponsored trips, cash prizes, bonus commissions, club points, monetary donations in their name to a charity of their choice or other nominal prizes. No contest is offered which will award the Advisor based upon a specific investment product or on a specific product sponsor. In our capacity as an investment adviser, Lincoln Investment and its Advisor recognize they have a fiduciary duty to investment advisory clients. Although Lincoln Investment does not offer specific product sales incentives for securities products, issuers of non-securities insurance products, such as fixed annuity issuers, may offer sales incentives to Advisors in the form of cash bonuses and trips if certain sales thresholds are met. You should ask your Advisor about these incentives at the time of sale.

**Endorsements.** From time-to-time, Lincoln Investment makes lump-sum payments to education-based associations and not-for-profit organizations with a large constituency of employees who are eligible to invest in 403(b) retirement plans (Associations). In some cases, Lincoln Investment voluntarily makes such payments to reimburse the Associations for certain marketing expenses (e.g., newsletter advertisements) in connection with Lincoln's products and services. Certain Associations require Lincoln Investment to reimburse them for (1) marketing expenses; (2) use of their facilities used to meet with their employees; (3) to obtain their explicit endorsement; or (4) to cover their administrative costs for the processing of payroll contributions.

**Loans and Advances.** On occasion, Lincoln Investment may extend a loan, provide a commission advance, or pay for practice management services for an advisor to assist an advisor in transitioning to the firm and/or running his or her business. Sometimes these loans or advances may be waived, in whole or in part, if certain sales or assets under management thresholds are met or certain practice management goals or conditions are met. In situations where a sales, assets under management threshold or other financial contingency exists, this conflict of interest will be disclosed in the Advisor's Form ADV 2B, which is required to be delivered by the Advisor to every client. Lincoln closely supervises Advisors who have these arrangements to ensure that all advice is suitable to the client.

**Gifts and Entertainment.** Offering or receiving a gift or entertainment from a product or advisory service sponsor could create a conflict of interest. Lincoln Investment has instituted a policy that prohibits excessive and/or too frequent gifts or entertainment activities to mitigate this conflict.

**Political Contributions.** Providing significant political contributions to a state or local official or candidate could create the perception that Lincoln Investment or its Advisors are seeking *quid pro quo* arrangements with that state or local government or its employees to open an account with our firm. Lincoln prohibits contributions in excess of \$350 per election if the Advisor can vote for the candidate and \$150 per election if the Advisor cannot vote for the candidate.

**Charitable Donations.** Providing significant charitable donations to a charity organization could create the perception that Lincoln Investment or its Advisors are seeking *quid pro quo* arrangements with that charity or its employees to open an account with our firm. Lincoln allows contributions to charities, but prohibits any donations that are deemed excessive or too frequent.

## **Item 5: Account Requirements and Types of Clients**

### **Types of Clients**

Lincoln Investment primarily serves individuals, high net worth individuals, trusts, businesses, and charitable organizations as well as the retirement assets of individuals and businesses, including, through IRC 403(b) and 457 programs, individual retirement accounts (IRAs) and employer sponsored ERISA plans. We also offer our institutional investment advisory services to third party investment advisers and

trust companies. Clients may open qualified and non-qualified accounts with Lincoln Investment. Not all investors and plans, including retirement plans, are eligible to invest in one or more of Lincoln's advisory programs. Please consult with your Advisor or your employer to determine if your assets are eligible to invest. Please consult with your Advisor for more information on minimum account size requirements.

### **Account Requirements**

A minimum account size exists for the Wrap Fee Programs offered by Lincoln. Lincoln Investment or the Third Party Managers may, from time to time, amend or waive the minimum account size. Consult with your Advisor for more information on minimum account size requirements. For Wrap Fee Program minimums, see the Description of Wrap Fee Programs and Fees earlier in this brochure.

### **Item 6: Portfolio Manager Selection and Evaluation**

*This section discusses how Lincoln Investment selects and evaluates Wrap Fee Programs and portfolio managers, and any conflicts of interest related to its selections, other than as described in Item 4; if performance based fees are assessed in any Wrap Fee Program; the methods of analysis, investment strategies and the risk of loss associated with the Wrap Fee Programs offered; and Lincoln's Proxy Voting policy.*

Lincoln's IM&R team routinely reviews the advisory services managed, sponsored, and/or offered by Lincoln Investment, including the Wrap Fee Programs, portfolio managers, and Sub-Advisers. A description of the IM&R team is provided in the supplement at the end of this brochure. The IM&R team performs the following roles on Lincoln's behalf:

- The management of all Lincoln-Managed Model Portfolios;
- The selection of advisory services offered by Lincoln;
- The monitoring of advisory services offered by Lincoln;
- The removal of advisory services offered by Lincoln;
- The comparison of advisory results to predetermined benchmarks to monitor whether third party investment advisers' discipline are providing value to clients.

In determining which Wrap Fee Programs, portfolio managers, or Sub-Advisers are selected, the IM&R team utilizes a preliminary screening process involving a variety of criteria, such as assets under management, personnel, registration, disclosures and regulatory history, together with other quantitative and qualitative criteria. Lincoln Investment does not independently verify the accuracy of performance information provided to Lincoln Investment by another investment adviser.

Underperformance by a portfolio manager or Sub-Adviser relative to other portfolio managers, Sub-Advisers, or to benchmarks may result in the replacement of or recommendation for replacement of a portfolio manager or Sub-Adviser by the IM&R team.

### **Advisory Services Offered by Lincoln Investment Other than Wrap Fee Programs**

Lincoln Investment offers advisory services that are not Wrap Fee Programs. For further information regarding these advisory services, please see Lincoln's Investment Advisory Brochure (Form ADV Part 2A) attached.

### **Performance-Based Fees and Side-by-Side Management**

Lincoln Investment and our Advisors do not receive performance based fees. A performance based fee is an advisory fee that compensates the advisor for the advisor's success in managing his or her client's

money or "a fee based on the share of the capital gains and appreciate of a client's funds." A performance based fee may induce an advisor to take greater and undue risks with client's funds in an attempt to generate higher compensation to the advisor.

Your Wrap Fees with Lincoln Investment are assessed as a percentage of the total value of your advisory account assets as of each calendar quarter-end and are not performance based fees.

### **Methods of Analysis, Investment Strategies and Risk of Loss**

Investing in securities involves risk of loss that you, the investor, should be prepared to bear.

The advisory services and advice offered by Lincoln Investment and its Advisors primarily attempt to provide to you a *risk-appropriate diversified mutual fund portfolios*. A risk-appropriate diversified portfolio applies the disciplines and theories of asset allocation. *Asset allocation* means, first and foremost, working to design a portfolio that sufficiently allocates your assets across different asset classes to help reduce the exposure to any single asset class and market loss you could incur in your account(s) if you didn't diversify. It is important to understand that asset allocation, although a proven theory to reduce risk to a portfolio, does not guarantee a profit or protect against loss. A diversified portfolio typically will not perform as well as a stock market index, such as the S&P 500, in a rising market environment, and it will typically not decline as much in a declining market environment.

Mutual fund asset classes include, but are not limited to, domestic and international equities, domestic and international bonds, cash and cash equivalents, as well as alternative investment types such as real estate and commodities. Equities can be further broken down by market capitalization (company size based on annual revenues) ranging from large companies (large-cap) to medium and small companies (medium- and small-cap). Bonds, meanwhile, can be further broken down by issuer type – such as corporate, municipal, and government – and by duration, ranging from short term to long.

Your Advisor will determine with you your risk profile and objectives, create an asset allocation policy, recommend a risk appropriate well diversified portfolio; and may periodically re-balance the account (as directed) back to any stated asset allocation, if any. Your Advisor will also periodically review your account with you to determine if any additional changes should be recommended or made to your account. Your Advisor can analyze your financial situation provided you make available to them your personal and financial data, employee benefit and retirement programs, business continuation plans and even your most recent estate planning arrangements. The Advisor can coordinate with your attorney, accountant, and other staff to discuss solutions. If your Advisor analyzes your investment portfolio, the security analysis methods may include charting, fundamental, technical or cyclical analysis.

Lincoln Investment primarily uses mutual funds, or in the case of its AIM ETF Wrap Fee Program, exchange-traded funds (ETFs). Mutual funds pool the money of its investors and invest in a variety of stocks, bonds or other types of securities to meet the stated objective of the fund. Each mutual fund will then be assigned by Lincoln Investment into one of the asset classes identified above and the mutual funds that best meets Lincoln's proprietary criteria for inclusion in a Wrap Fee Program will be selected. Actual investment return and principal value of most mutual fund investments are subject to market risk and will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The underlying investments of mutual funds are subject to the risks associated with the corresponding asset classes, described in more detail below.

Using a risk appropriate diversified portfolio, Lincoln Investment uses two approaches to further manage your money in its Asset Management Program advisory services: a Strategic approach and a Tactical approach. Both approaches are best suited for a long term objective to investing.

- **Strategic:** A strategy that sets specific asset class allocations and then periodically rebalances the managed portfolio to maintain the original asset class allocation. There is typically no change in the asset classes used in these portfolios.
- **Tactical:** A strategy that takes a more active trading approach to investing that makes tactical market trades in your portfolio in an attempt to take advantage of potential market opportunities. For example, this could mean a complete replacement of a poor performing investment within an asset class to one that is anticipated to do better.

In the Tactical Asset Management Program managed in-house by IM&R, the team uses a mixture of quantitative and qualitative methods in the management of our discretionary Adaptive Intelligence Models (AIM) Asset Management Programs. Our investment discipline incorporates quantitative tools which include artificial intelligence technology to provide portfolio management and recommendations for our clients. The cornerstone of this discipline is our Asset Allocation Neural Network (AANN). A neural network is a computer system that uses mathematical algorithms to simulate certain cognitive processes of a biological neural network, such as the human brain.

The AANN computer modeling system is utilized to assist with management of model portfolios in the following Asset Management Programs: Adaptive Intelligence Models (AIM) Active; Adaptive Intelligence Models (AIM) Index; and Adaptive Intelligence Models (AIM) ETF.

AANN is a computer modeling system that classifies patterns and causal relationships and makes forecasts based on historical market data. AANN continuously tests its hypotheses and discards invalid assumptions while expectations that continue to be corroborated gain greater influence. Lincoln Investment utilizes AANN as one of several tools to attempt to predict the relative strength of various domestic and global asset classes. Our IM&R team feeds market data into AANN to develop asset class recommendations. Output from AANN's results along with other quantitative and qualitative research are then used by the Lincoln Investment Portfolio Manager to make investment decisions in managing the AIM model portfolios.

For our risk-adjusted AIM model portfolios (such as Conservative Income, Conservative Income & Growth, Balanced, Total Return, Appreciation, and Growth Portfolios), recommendations provided by AANN are fed into our Optimization Model. The Optimization Model provides recommended percentage weightings by asset class for each risk level model portfolio. The Optimization Model considers the investment objective(s) of an AIM portfolio when providing such asset class weightings. The model is designed to act as a risk control mechanism by analyzing returns, per unit of risk taken, for each asset class using historical market data.

Lincoln Investment does not employ the Optimization Model for all AIM advisory portfolios. The AIM Absolute Return and Managed Income model portfolios generally do not have risk tolerance constraints (i.e., there is little to no limitation as to the exposure your account will have to any given asset class). Lincoln Investment may utilize additional models that are qualitative or quantitative tools when assessing the AIM portfolios including, but not limited to, neural networks and subjective research to provide further direction and insight on specific asset classes.

The Lincoln Investment Portfolio Manager uses the data derived from these models, along with fundamental and technical analysis, to develop asset allocation recommendations for our dynamic asset allocation model portfolios. Once asset allocation recommendations are developed, we utilize our Fund Selector screening program to make quantitatively supported predictions as to the mutual funds, exchange-traded funds (ETFs), and variable annuity sub-accounts within each asset class that will perform the best. The Fund Selector program uses variations of standard mathematical equations as well as proprietary formulas that assess fund performance consistency and measure risk. Subjective

methodologies are also used to identify and compensate for specific anomalies in our quantitative research. For example, in situations where a fund has changed managers in the past year, the Portfolio Manager may combine performance from the manager's previous fund to gain a broader perspective of their management skills.

There is no guarantee that the investment recommendations made by AANN or any of our other models in the future will be accurate. AANN is a computer based modeling tool which utilizes artificial intelligence to formulate its results. Output from AANN's results along with other quantitative and qualitative research are then used by the Lincoln Investment Portfolio Manager to make investment decisions in managing the model portfolios. AANN is one of several tools and does not, in and of itself, make any investment decisions.

Lincoln Investment uses asset allocation and diversification in an attempt to achieve the objectives of our model portfolios. Asset allocation involves allocating an investment portfolio among different asset classes, such as stocks, bonds and cash. Our dynamic model portfolios are proactively reallocated to reflect changes in market expectations. Diversification is the practice of spreading money among different investments to reduce risk.

For assets in one of the Lincoln Investment Managed Programs, Lincoln Investment may invest your assets in any asset class we deem necessary in an effort to achieve a model portfolio's objective. Such asset classes may include, but are not limited to: large-capitalization domestic equities, mid-capitalization domestic equities, small-capitalization domestic equities, high quality domestic debt, high yield domestic debt, international equities, emerging markets equities, foreign debt, real estate investment trusts, real assets, Treasury Inflation-Protected Securities, agency securities and Commercial Mortgage-Backed Securities and cash.

Investing in securities involves risk of loss that clients should be prepared to bear. Lincoln Investment cannot assure that any portfolio will increase or preserve capital or generate income, nor can we assure that the objectives of any model portfolio will be realized. Asset allocation decisions made by Lincoln Investment may result in a profit or loss.

As more investments are added to a portfolio, fees and expenses may increase, which will, in turn, lower investment returns. Diversification does not assure a profit or protect against a loss. Mutual funds purchased for your account may invest in different types of securities, such as value or growth stocks, real estate investment trusts, corporate bonds or U.S. government bonds. There are risks associated with each asset class.

Because each mutual fund within a portfolio owns different types of investments, portfolio performance will be affected by a variety of factors. The value of your account will vary from day to day as the values of the underlying investments you hold vary. Such variations generally reflect changes in interest rates, market conditions and other company and economic news. These risks may become magnified depending on how much a fund invests or uses certain strategies.

The asset classes used by Lincoln Investment and your Advisor in implementing the methods of analysis and investment strategies described above carry material risks.

- **Cash & Cash Equivalents:** Lincoln Investment may invest a portion of your assets in cash or cash equivalents to achieve a model portfolio's objective, provide ongoing distributions and/or take a defensive position. Cash holdings may result in a loss of market exposure.
- **Equities:** The price of equities fluctuate due to many factors including changes in interest rates, global events, industry and company specific events, investor expectations, and general market

conditions. You can receive more or less than the original purchase price when selling a security. Concentrated positions in equities typically pose additional risks as a downturn in your investment will cause a more significant loss. Diversification assists in reducing concentration risk. Equity mutual funds may include small-, mid- and large-capitalization stocks. Small- and mid-capitalization companies may have greater price volatility, lower trading volume and less liquidity than large-capitalization companies.

- **Fixed Income Investments:** One of the most important risks associated with fixed-income securities is interest rate risk, the risk encountered in the relationship between bond prices and interest rates. The price of a bond will change in the opposite direction of movements in prevailing interest rates. For example, as interest rates rise, bond prices will generally fall. If an investor has to sell a bond prior to the maturity date, an increase in interest rates could mean that the bondholder will experience a capital loss (i.e., selling the bond below its original purchase price).

Reinvestment risk is the risk that the interest rate at which the interim cash flows can be reinvested will decline and thus reinvestments will receive a lower interest rate. Reinvestment risk is greater for longer holding periods.

Default risk is commonly referred to as “credit risk” and is based on the probability that the issuer of the debt obligation may default. Default risk is rated by quality ratings assigned by commercial rating companies.

Call risk is the risk related to call provisions on debt obligations. You should be aware of four risks associated with call provisions.

- 1) The cash flow patterns of callable bonds are not known with certainty.
- 2) Since the issuer will typically exercise their right to call the bonds when interest rates have dropped, you may be exposed to reinvestment risk. You would have to reinvest the proceeds after the bond is called at relatively lower interest rates.
- 3) The potential for capital appreciation of a callable bond is reduced relative to that of a non-callable bond, because its price may not rise much above the price at which the issuer can call the issue.
- 4) If the issue is purchased at a premium, you may lose the difference between the purchase price and call price.

Inflation risk arises because the value of the cash flows being received from a debt obligation may actually lose purchasing power over the course of time due to the effects of inflation.

Liquidity risk depends on the ease with which an asset can be sold at or near its current value. The best indicator to measure an issue’s liquidity is the size of the spread between the bid price and the ask price quoted by a dealer. A wider spread on the asset indicates a greater liquidity risk. If you plan on holding a bond until its maturity date, liquidity risk is less of a concern.

Finally, exchange rate risk, which is encountered in non-dollar denominated bonds or bonds whose payments occur in a foreign currency, has unknown U.S. currency cash flows. The dollar cash flows are dependent on the exchange rate at the time the payments are received. For example, consider a bond whose coupon payment is paid out in Japanese yen. If the yen depreciates relative to the U.S. dollar, fewer net dollars will be received. Conversely, if the yen should appreciate relative to the U.S. dollar, the investor will benefit by receiving more net dollars.



Debt funds may include mortgage-backed securities and Treasury Inflation-Protected Securities (TIPS). Mortgage-backed securities are subject to greater declines in value than traditional fixed-income securities. This is primarily due to decreased prepayments when interest rates fall, which could lengthen the average life of a security. TIPS can provide a hedge against inflation, which helps preserve the purchasing power of the investment. Because of this inflation adjustment feature, inflation protected bonds typically have lower yields than conventional fixed rate bonds. These bonds will likely decline in price during periods of deflation, which could result in losses.

A number of fund companies are offering Floating Rate funds, also called Bank Loan funds. The fund invests mainly in floating rate loans (sometimes referred to as “adjustable rate loans”) typically issued to below-investment-grade companies. These loans may or may not hold a senior position in the capital structure of the underlying U.S. and foreign corporations, partnerships or other business entities. Senior Loans may allow them to have priority of claim ahead of (or at least as high as) other obligations of a borrower in the event of liquidation and may be collateralized or uncollateralized. They typically pay interest at rates that float above, or are adjusted periodically based on, a benchmark that reflects current interest rates. These funds are designed for investors seeking to participate in the market for Senior Loans, which may have higher risks than conventional debt securities. Investors should be willing to assume the greater risks of short-term share price fluctuations and the special credit risks that are typical for a fund that invests mainly in below-investment-grade fixed income securities. The fund is not designed for investors needing an assured level of current income. Lincoln’s use of these securities in its managed portfolios is only in well-diversified portfolios, to minimize the risks to the portfolio yet allow for the potential participation in the higher yields associated with these higher risk investments.

- **International Investing:** Investing in the global market can assist with diversification of a portfolio but it is important to consider some of the unique risks with such a strategy. Mutual funds purchased for your account may invest in international securities. Each country has unique rules and regulations covering corporations and their stock markets which offer investors varying degrees of protection. There are special risks associated with foreign investing, including currency fluctuations, economic instability and political developments. Fluctuations in foreign currency-denominated securities may be magnified by changes in foreign exchange rates. These risks may be magnified in emerging markets.
- **Exchange Traded Funds (ETFs):** While investing in ETFs has similar risks as investing in individual equities, ETFs typically invest in a diverse group of securities. The level of diversification varies by ETF. While ETFs reduce the effects of concentration risk as compared to investing in a single security, certain ETFs are susceptible to industry, commodity or country risk. Investing in a diverse selection of ETFs may help to reduce this risk. Another important factor to consider with ETFs is that the portfolio of securities in which they invest are typically not actively managed. Leveraged and Inverse ETFs bear unique risks that investors who wish to trade in these securities must understand; due to the significant risk involved in these securities, Lincoln Investment will approve their use only on an exception basis.
- **Options:** Certain options strategies are highly specialized contracts based on securities and entail greater than ordinary investment risks.

For further information regarding the risks associated with the portfolios managed by Lincoln Investment and its Advisors and the best suited investment strategies for your account(s), please review the risk level of the Wrap Fee Program portfolio you have selected and your mutual fund prospectuses, or consult with your Advisor.

#### **Item 7: Client Information Provided to Portfolio Managers**

When your Wrap Fee Program account is opened, your Advisor will assist you in completing confidential investor profile containing personal and financial information such as your risk tolerance, investment objectives, net worth, and investing time horizon. This information may be communicated to a portfolio manager, including Lincoln, or a Sub-Advisor, when the Wrap Fee Program offers custom portfolio management. It is important that you contact your Advisor when there is a material life event that could affect or change your investment objectives or financial needs and to confirm there have been no changes in your risk tolerance, investment objectives or financial situation which would need to be communicated to the portfolio manager or Sub-Advisor.

Lincoln, the IM&R team, your Advisor, and any other portfolio manager(s) rely on the accuracy of the information you provide to manage your account(s). You are responsible to notify your Advisor of any changes in your financial situation or investment objectives.

#### **Item 8: Client Contact with Portfolio Managers**

You may contact and consult with Lincoln, your Advisor, and the Sub-Advisers or portfolio managers in the Wrap Fee Programs in writing, over the phone or electronically. Lincoln Investment and certain Sub-Advisers or portfolio managers may hold regular conference calls to discuss investment strategies or current market events. In general, you should contact Sub-Advisers or portfolio managers through, or together with, your Advisor so that the financial advice you receive is consistent.

#### **Item 9: Additional Information**

##### **Disciplinary Information**

Provided below is a summary of legal or disciplinary events within the past ten years that may be material to your evaluation of Lincoln's advisory business.

**January 27, 2016:** Lincoln Investment signed a Letter of Acceptance, Waiver and Consent ("AWC") with FINRA. Without admitting or denying the findings, Lincoln Investment accepted a censure and \$75,000 fine relating to the supervisory review of consolidated reports produced by Lincoln's representatives and provided to clients. Lincoln Investment further agreed to adopt and implement procedures reasonably designed to enhance the enforcement of our supervisory systems and procedures to ensure effective review of consolidated reports produced by representatives and provided to clients.

**September 25, 2018:** Lincoln Investment signed a Letter of Acceptance, Waiver and Consent ("AWC") with FINRA. Without admitting or denying the findings, Lincoln Investment, relating to its broker-dealer, accepted a censure and \$35,000 fine relating to Lincoln's failure to implement reasonably designed surveillance procedures to monitor its registered representatives' rates of effecting variable annuity

exchanges where the firm was not the broker of record for the variable annuity that was being exchanged. After FINRA raised this issue, Lincoln corrected its surveillance report to include all variable annuity exchanges.

Your Advisor should provide along with this brochure a Form ADV 2B Brochure Supplement that describes your Advisor's education, business experience, professional designations and material legal or disciplinary history, if any. For further information regarding Lincoln's disciplinary events, including those prior to 2009, you may go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or [www.brokercheck.finra.org](http://www.brokercheck.finra.org) and search for Lincoln Investment Planning, LLC.

## **Other Financial Industry Activities and Affiliations**

### **Broker-Dealer and Insurance Agency**

In addition to being a registered investment adviser, Lincoln Investment is also a registered broker-dealer and an insurance agency. This may present a conflict of interest. Please refer to the "Other Compensation to Lincoln Investment and Our Conflicts of Interest" section under Item 4 of this brochure for information regarding Lincoln's conflicts of interests as a broker-dealer and insurance agency and how we address these conflicts.

### **Authorized Agent for UMB Bank, N.A.**

Lincoln Investment acts as authorized agent for UMB Bank, N.A., the retirement plan custodian used in our SOLUTIONS and some Pershing retirement plan platform offerings. As an authorized agent, Lincoln Investment performs the administrative and custodial duties, such as recordkeeping, consolidated reporting, client communications, trade confirmations, account statements and tax reporting for UMB Bank, N.A.

### **NFA Membership**

Lincoln Investment is also an introducing broker member of the National Futures Association to facilitate the offering and sale of managed futures contracts to clients. The contracts are not eligible for advisory accounts.

### **Advisors' Other Business Activities and Affiliations**

Lincoln's Advisors are primarily independent contractors, many of whom hold themselves out to the public under a name other than Lincoln Investment and offer other financial services independent of Lincoln, such as life, health, disability, long term care and fixed annuity insurance products, real estate, and business planning services. A few of our Advisors may also be qualified lawyers and accountants or hold certain professional designations not required by us to conduct business through Lincoln. These services are offered independent of Lincoln Investment as outside business activities and Lincoln Investment assumes no responsibility or supervision over these activities. Please refer to the "Other Compensation to Lincoln Investment and Our Conflicts of Interest" section under Item 4 of this brochure, or refer to your Advisor's ADV 2B brochure supplement, for more information regarding outside business activities and how we address these conflicts. You may go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or [www.brokercheck.finra.org](http://www.brokercheck.finra.org) for further information regarding your Advisor's other business activities or affiliations.

### **Independent Registered Investment Advisers**

Lincoln Investment permits certain Advisors to maintain their own independent registered investment advisory firm which may offer advisory services similar to, yet independent of, Lincoln. Lincoln Investment assumes no responsibility for their advisory programs and conducts suitability supervision over the transactions initiated by the Advisor. An Advisor who has his or her own independent investment

adviser has a fiduciary responsibility to recommend to you the most suitable advisory program regardless of whether it is offered through their investment adviser or Lincoln's investment adviser, or an affiliate.

Advisors affiliated with other registered investment advisory firms must provide to their clients that firm's Form ADV Part 2A and advisory agreements and disclosures. To inquire as to whether your Advisor is affiliated with a separate registered investment advisory firm, it will be listed on their Form ADV 2B, a copy of which they are required to provide to you, or you may go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or [www.brokercheck.finra.org](http://www.brokercheck.finra.org).

### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

#### **Code of Ethics**

As an investment adviser, Lincoln Investment has established a Code of Ethics under which all Lincoln Investment supervised employees and Advisors must comply. In our capacity as an investment adviser, Lincoln Investment owes a fiduciary duty to our investment advisory clients and is held to legal standards under applicable federal and state securities laws. Lincoln Investment has a fiduciary responsibility to (1) provide investment advice that the advisor believes is in the best interest of the client; (2) place clients interest above the interests of Lincoln and your advisor by providing full and fair disclosure of all material facts and conflicts of interest to clients, and (3) conduct all personal securities transactions consistent with Lincoln's Code of Ethics.

Lincoln's Advisors are held to a professional standard that requires them to avoid any abuse of their position of trust and responsibility, not take inappropriate advantage of their positions, comply with applicable securities laws and regulations, and maintain confidentiality of client's financial circumstances.

You may request a full copy of Lincoln's Code of Ethics from your Advisor or Lincoln Investment's Compliance Department at (800) 242-1421, ext. 4300.

#### **Participation or Interest in Client Transactions and Personal Trading**

Lincoln Investment, its Advisors, members of the Investment Management & Research team, and employees may buy or sell for themselves securities that are also recommended to clients. With the exception of its Insider Trading policies and procedures, Lincoln Investment does not impose on itself or any person associated with it any restrictions in connection with the purchase or sale, directly or indirectly, of investments for his or her own account. Lincoln Investment requires that Advisors disclose conflicts of interest to you if an investment product is recommended in which Lincoln Investment or the Advisor has a material financial interest.

For all portfolios on which Lincoln Investment or your Advisor have discretionary authority, the Advisor and his or her employees must give priority to client securities purchases and sales over their own personal transactions in the same security.

This means that any transaction by the Advisor or his/her employee must be placed either simultaneously with your transaction (i.e., aggregating the orders and sharing in the same price and execution costs) or after all client trades are placed on the same trading day. While the latter will not guarantee that you will receive the best price, it does establish that the client trades will occur at the same time as or before that of the Advisor or his/her employees. At no time may an Advisor participate in the profits or losses of an investor's account. Personal trading accounts of Advisors are reviewed by Lincoln Investment to ensure compliance.

## **Brokerage Practices**

### **Lincoln Investment as Introducing Broker-Dealer**

Pershing LLC, as custodian for Lincoln Investment's Wrap Fee Programs, has its own platform, administrative and trading costs. Lincoln will pay your trading costs and certain administrative costs as per our Wrap Fee Program agreement; however, you will be responsible for other administrative and account maintenance fees imposed by Pershing. We cannot guarantee that Pershing will be the lowest cost platform for you. Your advisor will recommend a platform based on the type of account you wish to open (brokerage or advisory), the type of securities you wish to invest in (mutual funds only or exchange traded securities), and where suitable advisory programs are available.

Please also refer to the "Other Compensation to Lincoln Investment and Our Conflicts of Interest" section under Item 5 of this brochure for further information regarding Lincoln's conflicts of interests as a broker-dealer.

### **Use of Other Broker-Dealers/Custodians**

Some advisory services offered by Lincoln Investment specify one or more custodians or clearing firms where the assets must reside in order for the advisory services to be engaged. For many of these services, this allows Lincoln Investment the capability to have ongoing access to the assets for trading and viewing purposes. In order to be considered as a custodian for purposes of carrying and executing transactions, Lincoln Investment will review the reasonableness of the firm's execution reports, fees and transaction costs. The value of products, research and services offered by broker-dealers/custodians to Lincoln Investment is a factor in determining whether to approve a broker-dealer or trust company as custodian of investors' advisory assets.

When Lincoln Investment is recommending that your account and your transactions be placed with our broker-dealer or another broker-dealer, you may not receive the most favorable execution on your transactions, which may cost you more money. Not all investment advisors require the use of a specific broker-dealer/custodian.

Please consult with your Advisor regarding which broker-dealer/custodians may be required for the advisory service(s) you wish to select or invest. Brokerage or custodial account fees and/or transaction charges, if any, are disclosed to you at the time your account is established. Lincoln Investment shares in fees from certain clearing firms, such as Charles Schwab & Co and Pershing LLC. Please refer to the "Other Compensation to Lincoln Investment and Our Conflicts of Interest" section under Item 5 of this brochure for information regarding Lincoln's conflicts of interests when accounts are held on our SOLUTIONS platform or at Pershing.

### **Trade Aggregation Policy**

Offering advisory services to clients includes an obligation on the part of Lincoln Investment and its Advisors to ensure that the allocation of investment opportunities or trades among its various client accounts, as well as accounts in which it (or its affiliates) has a proprietary interest, is performed in a manner that is fair and equitable in its treatment of all clients and, wherever possible, avoids conflicts of interest.

Therefore, Lincoln Investment has adopted an Aggregated Trade Allocation Policy to be used by Lincoln Investment and Advisors who have been granted discretionary authority by their clients when placing orders in the same security on the same day for one or more clients or accounts. By aggregating orders, Advisors ensures that all clients receive that same price for the security on the same day. This policy is intended to prevent favoritism of one client over another and establish a rational and predictable fashion for the allocation of trade pricing on a given day for a given security.

Trades in the following situations will typically be aggregated:

- Lincoln or the Advisor recognizes ahead of time that he/she will be buying or selling the same security in more than one client account on the same day;
- Lincoln or the Advisor reasonably believes that aggregating may facilitate a better execution price for all clients; and
- The securities involved are exchange-traded rather than open-ended funds or annuity sub accounts.

Trades in the following situations will *not* typically be aggregated:

- Where prohibited by or inconsistent with the client's investment management agreement;
- The trade is a result of the implementation of a change of investment strategy for a specific client;
- The trade is part of a new client's account allocation;
- The trade is a result of rebalancing to an asset allocation policy pursuant to an account review with the client; and/or
- Lincoln or the Advisor reasonably believes that aggregating orders would adversely impact price and/or best execution for the client.

If the security to be purchased in aggregate cannot be obtained in the total quantity required, the allocation of that security will be made on a pro rata basis determined by the ratio of the quantity obtained to the share quantity required to implement the investment strategy. Each client would participate in the order at the average price for all of the transactions on a given day. The transaction cost to all advisory clients shall be the standard ticket charge for the aggregated order.

If implementing the trade requires transactions over several days, each day's execution shares and average price on all executions for that day shall be allocated by the end of each trading day or no later than the next trading day.

In the course of executing an aggregated trade, a list of clients' accounts and shares to be bought or sold is to be prepared. This is to be used in allocating the trade and the list is to be kept as a record with the original aggregated trade order.

Allocation of shares, prices, and costs shall be done on a timely basis, in no event to exceed 24 hours following execution.

Lincoln Investment and your Advisor shall not receive any additional compensation for aggregating trades.

## **Review of Accounts**

### **Account Review Policies and Procedures**

Your Advisor is responsible to ensure that the recommended advisory service is in your best interest. Many of our programs are managed to defined levels of risk, so choosing the appropriate risk level or tolerance for market fluctuation and potential loss of investment is an important part of your decision. Furthermore, the Advisor Fee portion of your fees compensates your Advisor for his or her services. If Lincoln Investment or your Advisor have been granted full discretionary trading authority over your advisory account, Lincoln Investment or your Advisor will provide ongoing monitoring and will make changes in your account as deemed necessary. For all other non-discretionary advisory accounts, you and your Advisor will review your advisory account's objectives, investments and performance relative to your objectives and financial situation at least annually to allow your Advisor the

opportunity to recommend changing or maintaining the objectives or investments in your account. It is important therefore that you take the time to speak with your Advisor regarding your financial objectives and needs and particularly when there is a material life event that could affect or change your investment objectives or financial needs.

A Supervising Principal will review all advisory recommendations and financial plans prepared by your Advisor and will also provide an oversight of the recommendations and trading activities occurring in your account. If you have any questions about the trading or recommendations in your account, please call your Advisor's Designated Supervisor.

Lincoln's Investment Management & Research (IM&R) team routinely reviews the advisory services managed, sponsored, and/or offered by Lincoln's Sub-Advisers. A description of the IM&R team is provided in the supplement at the end of this brochure. The IM&R team performs the following roles on Lincoln's behalf:

- The management of all Lincoln-Managed Model Portfolios;
- The selection of advisory services offered by Lincoln;
- The monitoring of Sub-Advisers and Third Party Money Managers offered by Lincoln;
- The removal of Sub-Advisers and Third Party Money Managers advisory services offered by Lincoln;
- The comparison of advisory results to predetermined benchmarks to monitor whether the investment advisers' offerings are providing value to clients.

### **Written Reports**

At minimum, you will receive a quarterly account statement from the custodian who carries your account. This statement will reflect all transactions that have occurred in your account as well as identify any fees, including the advisory fee, deducted from your account. This is the most important statement you will receive and should be reviewed immediately upon receipt to ensure accuracy in your holdings and transactions.

Some Advisors and advisory services may also provide you supplemental advisory reports which may include performance reports, aggregated account reviews, or a portfolio snapshot. These supplemental reports, typically generated on a quarterly, semiannual or annual basis, are made available to you either electronically or will be delivered to you. These supplemental reports are provided as a service to you and should not replace your custodial statement(s). We urge you to compare these supplemental reports to the account statements you receive. If you find any discrepancies, please contact your Advisor or Lincoln.

### **Client Referrals and Other Compensation**

On occasion, Lincoln Investment permits an Advisor to compensate an outside party (for example, an attorney or an accountant) for client referrals to one of our advisory services. The outside party must execute a Solicitor Agreement with Lincoln, and you will receive a Solicitor Disclosure Statement at the time of the referral describing the relationship and portion of your advisory fee that will be paid by us to the Solicitor.

### **Custody**

Lincoln, as a broker-dealer, is deemed a "qualified custodian" under broker-dealer regulations and Rule 206(4)-2 ("Custody Rule") of the Investment Advisers Act of 1940. As such, Lincoln Investment is qualified custodian for any assets on the SOLUTIONS platform. The Custody Rule requires investment

advisors with custody of client securities or funds to establish and enforce controls designed to protect client assets from being lost, misused or misappropriated.

In accordance with the Custody Rule, Lincoln Investment is required to undergo an annual internal control audit and an annual surprise examination by a PCAOB independent public accounting firm whose responsibility it is to verify investor assets; to ensure investor account statements are sent directly to investors; and to obtain an internal control report to the firm relating to the custody of client assets.

You may have your advisory assets held at a qualified custodian other than Lincoln. You should receive, at minimum, a quarterly statement from the qualified custodian(s) of your advisory assets. We urge you to carefully review these statements and compare them to any reports provided to you by Lincoln Investment or your Advisor. The information in these reports may vary from your custodial statements based on accounting procedures and reporting dates. Please contact your Advisor or Lincoln Investment regarding any statement discrepancies.

### **Investment Discretion**

Depending on the advisory service chosen, Lincoln Investment, its Advisors, or a third party money manager may have discretionary authority to determine which securities shall be bought and sold, and the total amount to be bought or sold in your advisory account(s). This authorization does not grant Lincoln Investment or its Advisors the right to withdraw any funds or securities from your advisory account(s), except as specifically authorized in your advisory agreement for the deduction of advisory fees. Your advisory agreement or account application will identify if you are giving discretionary trading authority for your advisory account(s) to Lincoln, your Advisor, or a third party money manager.

### **Voting Client Securities**

Lincoln Investment and its Advisors may not, and do not, accept authority to vote clients' proxies for any securities in an advisory or non-advisory service.





**Lincoln Investment Planning, LLC (Lincoln Investment)**

601 Office Center Drive  
Fort Washington, PA 19034  
Phone: (800) 242-1421

**Investment Management & Research**

Stephen T. Mayhew, CFA, CPA, CFP®  
Shashi Mehrotra, CFA  
Christopher J. Surrichio, CFA  
Gerald E. Burhop, CFA  
Brian Moran

March 30, 2020

This brochure supplement provides you with information about the five (5) members of the Investment Management & Research (IM&R) team of Lincoln Investment who have the most significant day-to-day management responsibilities for the Lincoln Investment managed portfolios. This information supplements the information contained in the Lincoln Investment Form ADV 2A and/or Wrap Fee Program brochure, which you should have received.

Please contact Deirdre Koerick, Chief Compliance Officer of Lincoln Investment, at (800) 242-1421 if you did not receive the applicable brochure or if you have any questions about the contents of this supplement.

Additional information about each of the members of the IM&R team is available through the U.S. Securities and Exchange Commission at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Stephen T. Mayhew, CFA, CPA, CFP®**

### **EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE**

Year of Birth: 1957

#### **Education**

Master of Business Administration, Drexel University, 1984

Bachelor of Science, Business, Pennsylvania State University, 1979

#### **Business Experience**

Capital Analysts, LLC, June 2012 – Present, Senior Vice President and Chief Investment Officer

Capital Analysts, LLC, June 2012 – Present, Investment Adviser Representative

Lincoln Investment Planning, LLC, June 2012 – Present, Investment Adviser Representative and Registered Representative

Capital Analysts, Incorporated, 1986 – June 2012, Senior Vice President

#### **Professional Licenses/Designations**

Mr. Mayhew holds general securities principal, general securities representative, commodities, and research analyst licenses with Lincoln, as well as through its affiliated RIA, Capital Analysts, LLC. Mr. Mayhew is also registered with the National Futures Association. In addition, Mr. Mayhew maintains the following professional designations:

##### *Chartered Financial Analyst (CFA)*

Designation Status: Currently offered and recognized by the issuing organization

Issuing Organization: CFA Institute

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

Undergraduate degree and four years of professional experience involving investment decision-making, or four years qualified work experience (full time, but not necessarily investment related)

Educational Requirements: Self-study program (250 hours of study for each of the three levels)

Examination Type: Three course exams

Continuing Education/Experience Requirements: None

##### *Certified Public Accountant (CPA)*

Certified Public Accountant (CPA) is the statutory title of qualified accountants in the United States who have passed the Uniform Certified Public Accountant Examination and have met additional state education and experience requirements for certification as a CPA. Individuals who have passed the Exam but have not either accomplished the required on-the-job experience or have previously met it but in the meantime have lapsed their continuing professional education are, in many states, permitted the designation "CPA Inactive" or an equivalent phrase. In most U.S. states, only CPAs who are licensed are able to provide the public attestation (including auditing) opinions on financial statements. The exceptions to this rule are Arizona, Kansas, North Carolina and Ohio where, although the "CPA" designation is restricted, the practice of auditing is not.

##### *Certified Financial Planner (CFP®)*

Designation Status: Currently offered and recognized by the issuing organization

Issuing Organization: Certified Financial Planner Board of Standards, Inc.

Prerequisites/Experience Required: A candidate must meet the following requirements; A bachelor's degree (or higher) from an accredited college or university and three years of full-time personal financial planning experience.

Educational Requirements: Candidate must complete a CFP-board registered program, or hold one of the following: CPA, ChFC, CLU, CFA, Ph.D. in business or economics, Doctor of Business Administration, or a bar admission

Examination Type: CFP Board of Standards 10 hour board exam  
Continuing Education/Experience Requirements: 30 hours every two years

### **DISCIPLINARY INFORMATION**

Mr. Mayhew has no material legal or disciplinary events to report.

### **OTHER BUSINESS ACTIVITIES**

The IM&R team is responsible for the proprietary asset management programs offered by Lincoln Investment and Capital Analysts, LLC, an affiliated investment adviser. The management of portfolios for both investment advisers may create a conflict.

### **ADDITIONAL COMPENSATION**

Generally, members of the Investment Management & Research team are compensated through salaries and bonuses. They may be compensated with profit sharing contributions and, in some cases, participation in a long-term incentive plan. Salaries are fixed annually and are driven by the marketplace. Compensation is not affected by an increase in advised assets.

Please see the *Services, Fees and Compensation* section of the accompanying Form ADV 2A and/or Wrap Program brochure. This section describes in detail other potential forms of compensation in addition to the advisory fee paid to Lincoln Investment or Capital Analysts, LLC. Compensation to Lincoln Investment or Capital Analysts, LLC may be in the form of 12b-1 fees, shareholder servicing fees, administrative fees, or marketing support.

### **SUPERVISION**

The individual responsible for monitoring the advisory activities of Mr. Mayhew is Denis Houser, President and CEO of Capital Analysts, LLC. Mr. Houser or his designee is responsible to review the duties, responsibilities and trading of Mr. Mayhew and the Investment Management & Research team. If you have any questions about the trading or allocations in your account, please contact Mr. Houser at (215) 887-8111 ex. 4619.

## **Shashi Mehrotra, CFA®**

### **EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE**

Year of Birth: 1966

#### **Education**

Master of Business Administration, Florida Atlantic University, 1994

Bachelor of Engineering, Osmania University, 1989

#### **Business Experience**

Lincoln Investment Planning, LLC, May 2019 – Present, Senior Vice President and Chief Investment Officer

Lincoln Investment Planning, LLC, June 2019 – Present, Investment Adviser Representative

Lincoln Investment Planning, LLC, January 2017 – Present, Registered Representative

Legend Advisory, LLC, April 2011 – September 2019, Investment Adviser Representative

Legend Equities Corporation, January 1996 – January 2017, Registered Representative

Legend Advisory, LLC, July 1995 – September 2019, Chief Investment Officer /Chief Operating Office

#### **Professional Licenses/Designations**

Mr. Mehrotra holds general securities principal and general securities representative licenses with Lincoln.

In addition, Mr. Mehrotra maintains the following professional designation:

*Chartered Financial Analyst CFA®*

Designation Status: Currently offered and recognized by the issuing organization

Issuing Organization: CFA Institute;

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

Undergraduate degree and four years of professional experience involving investment decision-making, or four years qualified work experience (full time, but not necessarily investment related)

Education Requirements: Self-study program (250 hours of study for each of the three levels)

Exam Type: Three course exams

Continuing Education Requirements: None

### **DISCIPLINARY INFORMATION**

Mr. Mehrotra has no material legal or disciplinary events to report.

### **OTHER BUSINESS ACTIVITIES**

Mr. Mehrotra sits on the Investment Management Committee of other registered investment advisers, including AMA Global Family Investment Office, LLC, where he participates in quarterly meetings that include discussions on the markets and economies. Mr. Mehrotra also sits on the Board of Directors of Clear Water Plasma, a water-engineering company, where he assists with strategic financial and investment decisions. You are under no obligation as an investment advisory client to purchase any outside products or services that Mr. Mehrotra may offer.

### **ADDITIONAL COMPENSATION**

Generally, members of the Investment Management & Research team are compensated through salaries and bonuses. They may be compensated with profit sharing contributions and, in some cases,

participation in a long-term incentive plan. Salaries are fixed annually and are driven by the marketplace. Compensation is not affected by an increase in advised assets.

Please see the *Services, Fees and Compensation* section of the accompanying Form ADV 2A and/or Wrap Program brochure. This section describes in detail other potential forms of compensation in addition to the advisory fee paid to Lincoln Investment. Compensation to Lincoln Investment may be in the form of 12b-1 fees, shareholder servicing fees, administrative fees, or marketing support.

## **SUPERVISION**

The individual responsible for monitoring the advisory activities of Mr. Mehrotra is Stephen T. Mayhew, Senior Vice President and Chief Investment Officer of Capital Analysts, LLC. Mr. Mayhew or his designee is responsible to review the duties, responsibilities and trading assigned to Mr. Mehrotra. If you have any questions about the trading in your account, please call Mr. Mayhew at (215) 881-7734.

## **Christopher J. Surrichio, CFA**

### **EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE**

Year of Birth: 1970

#### **Education**

Bachelor of Arts, Economics, Boston College, 1992

#### **Business Experience**

Capital Analysts, LLC, June 2012 – Present, Vice President and Portfolio Manager

Capital Analysts, LLC, June 2012 – Present, Investment Adviser Representative

Lincoln Investment Planning, LLC, June 2012 – Present, Investment Adviser Representative and Registered Representative

Capital Analysts, Incorporated, 2002 – June 2012, Vice President

#### **Professional Licenses/Designations**

Mr. Surrichio holds general securities principal, general securities representative and research analyst licenses with Lincoln, as well as through its affiliated RIA, Capital Analysts, LLC.

In addition, Mr. Surrichio maintains the following professional designations:

*Chartered Financial Analyst (CFA)*

Designation Status: Currently offered and recognized by the issuing organization

Issuing Organization: CFA Institute

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

Undergraduate degree and four years of professional experience involving investment decision-making, or four years qualified work experience (full time, but not necessarily investment related)

Educational Requirements: Self-study program (250 hours of study for each of the three levels)

Examination Type: Three course exams

Continuing Education/Experience Requirements: None

### **DISCIPLINARY INFORMATION**

Mr. Surrichio has no material legal or disciplinary events to report.

### **OTHER BUSINESS ACTIVITIES**

The IM&R team is responsible for the proprietary asset management programs offered by Lincoln Investment and Capital Analysts, LLC, an affiliated investment adviser. The management of portfolios for both investment advisers may create a conflict.

Mr. Surrichio has no other business activities to report.

### **ADDITIONAL COMPENSATION**

Generally, members of the Investment Management & Research team are compensated through salaries and bonuses. They may be compensated with profit sharing contributions and, in some cases, participation in a long-term incentive plan. Salaries are fixed annually and are driven by the marketplace. Compensation is not affected by an increase in advised assets.

Please see the *Services, Fees and Compensation* section of the accompanying Form ADV 2A and/or Wrap Program brochure. This section describes in detail other potential forms of compensation in addition to the advisory fee paid to Lincoln Investment or Capital Analysts. Compensation to Lincoln Investment or Capital Analysts may be in the form of 12b-1 fees, shareholder servicing fees, administrative fees, or marketing support.

**SUPERVISION**

The individual responsible for monitoring the advisory activities of Mr. Surrichio is Stephen T. Mayhew, Senior Vice President and Chief Investment Officer of Capital Analysts. Mr. Mayhew or his designee is responsible to review the duties, responsibilities and trading assigned to Mr. Surrichio. If you have any questions about the trading in your account, please call Mr. Mayhew at (215) 881-7734.

## **Gerald E. Burhop, CFA**

### **EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE**

Year of Birth: 1964

#### **Education**

Master of Business Administration, Finance, Temple University, 1998

Bachelor of Science, Agricultural Journalism/Advertising, University of Wisconsin-Madison, 1988

#### **Business Experience**

Lincoln Investment Planning, LLC, 2002 – Present, Vice President and Portfolio Manager

Lincoln Investment Planning, LLC, 2000 – Present, Investment Adviser Representative and Registered Representative

Lincoln Investment Planning, LLC, March 1999 – 2002, Mutual Fund Financial Analyst

Capital Analysts, LLC, 2014 – Present, Investment Adviser Representative

#### **Professional Licenses/Designations**

Mr. Burhop holds general securities principal and general securities representative licenses with Lincoln, as well as through its affiliated RIA, Capital Analysts, LLC.

In addition, Mr. Burhop maintains the following professional designations:

##### *Chartered Financial Analyst (CFA)*

Designation Status: Currently offered and recognized by the issuing organization

Issuing Organization: CFA Institute

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

Undergraduate degree and four years of professional experience involving investment decision-making, or four years qualified work experience (full time, but not necessarily investment related)

Educational Requirements: Self-study program (250 hours of study for each of the three levels)

Examination Type: Three course exams

Continuing Education/Experience Requirements: None

##### *Certificate in Investment Performance Measurement (CIPM)*

Designation Status: Currently offered and recognized by the issuing organization

Issuing Organization: CFA Institute

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

Two years of professional experience “substantially entailing performance-related activities,” or four years of investment industry work experience

Educational Requirements: Self-study program (100 or more hours of study for each of the two levels)

Examination Type: Two level exams (Principles and Expert)

Continuing Education/Experience Requirements: None

### **DISCIPLINARY INFORMATION**

Mr. Burhop has no material legal or disciplinary events to report.

### **OTHER BUSINESS ACTIVITIES**

The IM&R team is responsible for the proprietary asset management programs offered by Lincoln Investment and Capital Analysts, LLC, an affiliated investment adviser. The management of portfolios for both investment advisers may create a conflict.

Mr. Burhop has no other business activities to report.



## **ADDITIONAL COMPENSATION**

Generally, members of the Investment Management & Research team are compensated through salaries and bonuses. They may be compensated with profit sharing contributions and, in some cases, participation in a long-term incentive plan. Salaries are fixed annually and are driven by the marketplace. Compensation is not affected by an increase in advised assets.

Please see the *Services, Fees and Compensation* section of the accompanying Form ADV 2A and/or Wrap Program brochure. This section describes in detail other potential forms of compensation in addition to the advisory fee paid to Lincoln Investment or Capital Analysts. Compensation to Lincoln Investment or Capital Analysts may be in the form of 12b-1 fees, shareholder servicing fees, administrative fees, or marketing support.

## **SUPERVISION**

The individual responsible for monitoring the advisory activities of Mr. Burhop is Stephen T. Mayhew, Senior Vice President and Chief Investment Officer of Capital Analysts, LLC. Mr. Mayhew or his designee is responsible to review the duties, responsibilities and trading assigned to Mr. Burhop. If you have any questions about the trading in your account, please call Mr. Mayhew at (215) 881-7734.

## **Brian Moran**

### **EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE**

Year of Birth: 1967

#### **Education**

Master of Business Administration, Drexel University, 2012

Bachelor of Science, Economics, University of Pennsylvania, 1990

#### **Business Experience**

Capital Analysts, LLC, June 2012 – Present, Institutional Trading Manager

Capital Analysts, LLC, June 2012 – Present, Investment Adviser Representative

Lincoln Investment Planning, LLC, June 2012 – Present, Investment Adviser Representative and

Registered Representative

Capital Analysts, Incorporated, 2001 – June 2012, Institutional Trading Manager

#### **Professional Licenses/Designations**

Mr. Moran holds general securities principal, general securities representative, municipal securities principal, and options principal licenses with Lincoln, as well as through its affiliated RIA, Capital Analysts, LLC.

### **DISCIPLINARY INFORMATION**

Mr. Moran has no material legal or disciplinary events to report.

### **OTHER BUSINESS ACTIVITIES**

The IM&R team is responsible for the proprietary asset management programs offered by Lincoln Investment and Capital Analysts, LLC, an affiliated investment adviser. The management of portfolios for both investment advisers may create a conflict.

Mr. Moran has no other business activities to report.

### **ADDITIONAL COMPENSATION**

Generally, members of the Investment Management & Research team are compensated through salaries and bonuses. They may be compensated with profit sharing contributions and, in some cases, participation in a long-term incentive plan. Salaries are fixed annually and are driven by the marketplace. Compensation is not affected by an increase in advised assets.

Please see the *Services, Fees and Compensation* section of the accompanying Form ADV 2A and/or Wrap Program brochure. This section describes in detail other potential forms of compensation in addition to the advisory fee paid to Lincoln Investment or Capital Analysts. Compensation to Lincoln Investment or Capital Analysts may be in the form of 12b-1 fees, shareholder servicing fees, administrative fees, or marketing support.

### **SUPERVISION**

The individual responsible for monitoring the advisory activities of Mr. Moran is Stephen T. Mayhew, Senior Vice President and Chief Investment Officer of Capital Analysts, LLC. Mr. Mayhew or his designee is responsible to review the duties, responsibilities and trading assigned to Mr. Moran. If you have any questions about the trading in your account, please call Mr. Mayhew at (215) 881-7734.