

# **Lincoln Financial Advisors Corporation**

## **Financial Planning**

### **Form ADV, Part 2A**

March 26, 2021

Lincoln Financial Advisors Corporation  
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[www.lfa-sagemark.com](http://www.lfa-sagemark.com)

**This brochure provides information about the qualifications and business practices of Lincoln Financial Advisors Corporation. If you have any questions about the contents of this brochure, please contact us at (800) 237-3813 or by sending us an email at [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration as an investment adviser does not imply a certain level of skill or training.**

**Additional information about Lincoln Financial Advisors Corporation also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2: Material Changes**

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This annual updating amendment to the brochure (this “Brochure”) for the financial planning services offered by Lincoln Financial Advisors Corporation (“LFA”) is dated March 26, 2021 and the last annual updating amendment to this Brochure was dated March 27, 2020. There have been no material changes to this Brochure since the last annual updating amendment dated March 27, 2020.

Clients are encouraged to read this Brochure in detail and contact their IAR (as defined below) with any questions. If you would like another copy of this Brochure or a copy of any other LFA brochure, please feel free to access and download it from our website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures or at [www.lfg.com/public/individual/adv](http://www.lfg.com/public/individual/adv), or from the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You also may request a copy of this Brochure or any other LFA brochure by contacting LFA at (800) 237-3813 or [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

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## **Item 4: Advisory Business**

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### **ABOUT LFA**

LFA was incorporated in 1968 and has been registered with the SEC as an investment adviser since 1992. LFA is wholly owned by The Lincoln National Life Insurance Company (“LNL”), which is wholly owned by Lincoln National Corporation (“LNC”), a publicly held entity. Lincoln Financial Group is the marketing name for LNC and its affiliates.

As of December 31, 2020, LFA managed approximately \$23.3296 billion of client assets on a non-discretionary basis and approximately \$7.3577 billion of client assets on a discretionary basis.

LFA offers a wide variety of investment advisory programs and services. These services are sometimes marketed using the name Sagemark Consulting, a division of LFA. LFA’s investment adviser representatives, including those who use the name Sagemark Consulting (collectively, “IARs”), assist clients in pursuing their financial goals by providing personalized financial planning services and investment solutions.

Any information relating to the tax considerations affecting your financial arrangements or transactions is not intended to be tax advice and should not be relied upon as such. Neither LFA nor the IARs provide tax, legal or accounting advice.

In addition to the advisory programs and services described in this Brochure, LFA also offers the following advisory programs and services, which are described in separate Forms ADV, Part 2A:

- Premier Plus Wealth Management Program;
- Premier Series Wealth Management Program (which includes the Premier Separately Managed Accounts Program, Premier Unified Portfolio, the Premier Manager (Mutual Fund) Program, and the Premier Strategist Program);
- Sagemark Consulting Financial Planning; and
- Third-Party Asset Management Programs, Retirement Plan Services and Other Advisory Services.

For a detailed discussion of each of the advisory programs and services listed above, including the fees and compensation associated with them, you should refer to the Form ADV, Part 2A for the particular program, which is available on our website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures or at [www.lfg.com/public/individual/adv](http://www.lfg.com/public/individual/adv), and on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). These Forms ADV, Part 2A may also be requested by contacting LFA at (800) 237-3813 or by sending us an email at [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

### **FINANCIAL PLANNING SERVICES**

IARs provide financial planning services through a written planning agreement. Planning is focused on specific areas and is based upon each client’s individual financial situation and personal and/or business objectives. The degree of detail and sophistication of the financial planning services provided varies according to the individual client’s circumstances. Each client is provided with a written summary of the work undertaken in electronic or hard copy format. Plans are usually completed within six months of the contract date.

LFA’s planning services are advisory only. Any information relating to the tax considerations affecting your financial arrangements or transactions is not intended to be tax advice and should not be relied upon as such. Neither LFA nor the IARs provide tax, legal or accounting advice, or other professional services.

Through meetings and discussions with your IAR, your IAR will gather the information necessary to understand your financial situation and objectives. The information gathered will include, among other things, your current financial status, future goals and objectives, and attitudes towards risk. Once this information, any requested financial records, and other documents supplied by you are received, your financial data is analyzed and observations are made based upon your current financial circumstances. Financial challenges are identified and specific financial planning strategies are recommended and

presented to you for consideration in an electronic or hard copy written report. Your financial plan will address one or more of the following areas:

### **Personal Financial Planning**

- ***Estate Planning.*** During the estate planning process, your IAR provides advice to enable you to make informed decisions with respect to property ownership, distribution of assets, estate tax reduction, tax payment, and related matters. Based on your current situation and your future goals, your IAR will review your estate plan, discuss planning techniques, and suggest alternative strategies when appropriate. The estate planning process involves a discussion of gifting, trust implementation, wills, the disposition of business interests, and related matters. Tax consequences and their implications are identified and evaluated.
- ***Retirement Planning.*** The retirement planning process includes an analysis of your current situation, a written discussion about alternative planning strategies, and techniques that can be used to assist you in accumulating wealth for retirement income, or in the appropriate distribution of assets following retirement. Tax consequences and their implications are identified and evaluated.
- ***Investment Planning.*** During the investment planning process, your IAR evaluates your existing investments, analyzes your current economic circumstances and tax characteristics, and reviews your risk tolerance. This process includes an analysis of your current asset allocation and investment income. Tax consequences and their implications are also identified and evaluated. Once your current situation has been reviewed, your IAR will recommend strategies and investment techniques. The strategies and techniques recommended are designed to assist you with the selection of an appropriate asset allocation and investment strategy in light of your investment objectives. The strategies and techniques outlined in your investment plan are designed to assist you in pursuing your stated investment goals at an appropriate risk level for you.
- ***Education Planning.*** The education planning process includes a definition of your objectives for family educational needs and a written analysis of potential ways to help fund the objectives. This includes strategies designed to help minimize negative tax implications, not only in the accumulation phase, but also in the distribution phase.
- ***Risk Management.*** The risk management planning process includes the evaluation of the impact of a potential premature death, disability, or long-term care event on your family situation. A written analysis defining your objectives, as well as the potential financial implications of adverse circumstances, is provided, along with recommendations of techniques that may help with the mitigation of this risk. This may include not only planning strategies, but product type/class considerations as well.

### **Business Owner Financial Planning**

- ***Business Succession Planning.*** The business succession planning process includes an analysis of the current state of your business, as well as your goals for the future of your business. Once the current state of your business and your future goals are determined, your IAR will provide alternatives and strategies addressing the continuity or disposition of your business upon your retirement, death, disability, or decision to sell. Tax consequences and their implications are also identified and evaluated.
- ***Executive Compensation Planning.*** The focus of executive compensation planning is the analysis and recommendation of various compensation strategies to attract, retain and reward key employees of the business. This planning may also include the business owner. Objectives of the business owner and the financial structure of the business will be reviewed and considered in the analysis and recommendations. Tax consequences and their implications are identified and evaluated.
- ***Entity Planning.*** The entity planning process begins with a review of the type(s) of entity(ies) you have elected for your business operations, including sole proprietorships. Understanding your short-, mid- and long-term goals for the business and your succession or exit goals are an important factor as well. Together with your other advisors, your IAR will provide alternatives that may help you achieve your goals more effectively than your current situation,

or they may confirm that your current elections are most appropriate. Tax consequences and their implications may also be identified and evaluated.

- ***Employee Benefits Planning.*** The employee benefits planning process begins with a review of your current benefit offerings to your key people, executives, and/or your entire employee population. Understanding your short-, mid- and long-term goals for the business and your succession or exit goals are an important factor as well. Your business cash flow, ability to maintain certain funding requirements, and other factors will be evaluated. Together with your other advisors, your IAR will provide alternatives that may help you achieve your goals more effectively than your current situation, or they may confirm that your current plans are most appropriate. Tax consequences and their implications may also be identified and evaluated.
- ***Executive Financial Planning.*** LFA contracts with businesses and associations to provide financial planning services to their executives, partners, members and directors. In these instances, each individual will be provided with a personal financial plan as described above. Fees charged are calculated based on the same criteria as the personal financial planning fees described in the Financial Planning Fees section below. Fees generally are paid by the business or association.
- ***Nonqualified Deferred Compensation Financial Planning.*** LFA also offers nonqualified deferred compensation financial planning services. For a nonqualified deferred compensation program, the analysis contains alternative methods to informally “fund” the program, including an overview of the accounting treatment of these methods, and a recommendation on the appropriate method of “funding” the program. The plan will be summarized in a written document delivered to you in electronic or hard copy format and will reflect your current situation and an analysis of alternative ways to accomplish your objectives.

LFA, through the IARs, will deliver a written financial analysis and plan to the client in hard copy or electronic format and shall contact the client for a review of the plan. After this review, LFA’s obligations and responsibilities as it relates to the financial planning services being provided to the client shall terminate. Any necessary updates to the financial analysis and plan, or execution or implementation of the recommendations made in the plan, shall be at the sole discretion of the client. LFA and the IAR will be under no obligation to update the financial analysis and plan or to monitor changes in the client’s financial circumstances, investments or insurance in connection with the financial analysis and plan services unless the planning contract is renewed after the first anniversary.

### **Renewal Plans**

After the first anniversary of the initial planning contract, you may request, or the IAR may suggest, that the planning contract be renewed for purposes of updating your financial plan, in whole or in part. The type of financial planning to be done in connection with any renewal will be agreed upon at the time of the renewal. The areas to be covered in any renewal may or may not be the same as the areas covered in your initial financial plan. In connection with renewals, the IAR will analyze current data you provide, will prepare an updated written summary (in electronic or hard copy format) reflecting your current financial circumstances and, where appropriate, will recommend strategies for your consideration.

### **Other Types of Planning Services**

#### ***Client Consultation Services***

Consultation services are more limited than the services included with a full financial plan and may be limited to an isolated issue or specific area of concern. Consultation services are offered to clients who want general investment advice or guidance, including advice or guidance relating to one or more of the following areas:

- A review of the client’s current investment portfolio and a discussion of a generic asset allocation not involving any specific investment recommendations; or
- A review of a new or current issue regarding a portion of the client’s current plan, addressing one or more of the following areas: estate planning, retirement planning, investment planning, business succession planning, education planning, or risk management.

Your IAR will carefully review all relevant materials pertaining to your specific consultation. The IAR will then provide a consultation that reflects your current financial circumstances, financial outlook, and personal and/or business objectives. The consultation services provided by your IAR are limited to the advice given and the information discussed during the single consultation and any related follow up, and do not require your IAR to develop or provide an in-depth financial plan. If you would like a detailed financial plan, you should enter into a financial planning relationship with LFA as described above.

### ***Executive Consulting Services***

LFA contracts with businesses and associations to provide consultation services to their executives, partners, members and directors. In these instances, each individual will be provided with a consultation as described above. Fees charged are calculated based on the same criteria as the client consultation fees described in the Consultation Fees section below. Fees generally are paid by the business or association.

### ***Seminars***

LFA provides seminars to groups of employees and associates and other organized groups. The seminars focus on various areas of financial planning, such as estate planning, investment planning, retirement planning, business succession planning, education planning, and risk management. Seminars are held on a negotiated fee basis. The investment information provided during seminars is not intended to meet the objectives of any individual client or seminar attendee.

### **Implementation of Financial Plans**

The services included in the planning and consultation processes are limited to recommending strategies for the client to consider. Clients are in no way obligated to implement any recommendations and are not obligated to do so through LFA or an IAR. The implementation of any recommended strategies is entirely at the client's discretion. The recommendations provided may be implemented through LFA, its affiliates or other financial services providers. We cannot guarantee future financial results or the achievement of your financial goals through implementation of recommendations provided to you. LFA does not monitor the day-to-day performance of your specific investments as part of its financial planning or consultation services. Before implementing any recommendations, you should consider carefully the risks, costs, and potential benefits of purchasing particular products or services, and you are encouraged to seek further advice from your lawyer, tax specialist, accountant, and other professional advisors, particularly in connection with estate planning, taxes, and business owner planning issues.

In addition to providing financial planning and consultation services to clients, IARs separately offer insurance and investment products issued or managed by other Lincoln Financial Group affiliates, as well as insurance and investment products of unaffiliated firms. To minimize conflicts of interest between the IARs' roles in the sale of insurance and investment products, financial plans and client consultations contain only generic recommendations regarding general types of insurance and investment products. In the financial planning and consultation processes, the IAR does not make recommendations regarding the purchase of specific insurance or investment products.

If a client chooses to implement the advice they receive in a financial plan or consultation through LFA, the client's LFA financial professional will be acting as a salesperson in the sale of investment and insurance products and may provide investment advice in connection with the management of client assets. A client who makes the decision to implement planning or consultation recommendations through a Lincoln Financial Group company will have access to a broad portfolio of insurance and investment products. Insurance products may include life insurance, disability and annuity products manufactured by Lincoln Financial Group companies and unaffiliated companies. Investment products accessible through LFA financial professionals are restricted to products approved for sale by LFA. LFA, in its role as a registered investment adviser, also offers a variety of asset management programs.

### **AVAILABLE ACCOUNT AND RELATIONSHIP TYPES**

When you choose to purchase products and services through LFA and work with an LFA financial professional, you have the option of investing through a transaction-based account, such as a brokerage account, a fee-based investment advisory program, or both. It is important to understand the services you can expect to receive and the costs associated with each of

these different types of accounts and relationships with LFA and your LFA financial professional. These services and related costs are described below and in LFA's Form CRS, Regulation Best Interest ("Reg BI") Disclosure Document, and Forms ADV, Part 2A, which are available on LFA's website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures.

### **Transaction-Based Account, Such As a Brokerage Account**

With this type of account, you pay commissions and other charges (such as sales loads on mutual funds) at the time of each transaction, such as the purchase of a mutual fund, stock or other investment product. These commissions are the primary source of compensation for the transaction-based advice provided by your LFA financial professional when recommending such transactions. When acting as your broker, your LFA financial professional can make recommendations and provide guidance to you in selecting investment products and services. Your LFA financial professional may also provide investment education and research services, which are incidental to the brokerage services LFA provides. This type of account may be more appropriate than a fee-based investment advisory account if you do not want ongoing investment advice on assets held in your account, or ongoing management of your account, and instead want only periodic or on-demand advice and recommendations specific to the purchase and sale of investment products. This type of account may result in lower costs for you if you expect to trade on an infrequent or occasional basis.

For additional information on LFA's broker-dealer services and transaction-based account offerings, please see LFA's Form CRS and Reg BI Disclosure Document, which are available on LFA's website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. LFA's Form CRS and Reg BI Disclosure Document may also be requested by contacting LFA at (800) 237-3813 or by sending us an email at [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

### **Fee-Based Investment Advisory Program**

A fee-based investment advisory program, sometimes called a "managed account," may be more appropriate than a transaction-based account, such as a brokerage account, if you want ongoing investment advice and management of your account. This type of account may result in lower trading costs for you, particularly if the program you select does not assess transaction costs separately. LFA acts as a sponsor and broker-dealer in connection with some of the investment advisory programs and services it offers and LFA offers a number of different investment advisory programs and managed accounts.

With this type of account, you will usually pay an ongoing investment advisory fee based on the value of the assets held in your account in exchange for ongoing investment advice and management of your account. The asset-based fee is the primary source of compensation for the ongoing investment advice provided by your IAR. You generally will not be charged commissions for each purchase or sale of an investment product, although you may be charged a transaction charge for executing certain transactions and trades within your account, and you may incur other fees and costs associated with your account.

Transaction charges will not be used to compensate your IAR for his or her services in this type of account. Fees for certain investment advisory programs may be charged as an "all-inclusive" bundled fee based on the value of the assets in your account. This bundled fee usually includes a portfolio management fee, brokerage and transaction costs, and investment advice and is sometimes referred to as a "wrap fee." However, this bundled fee usually will not include costs associated with transactions that are executed at broker-dealers other than the one at which your account is held. Transactions executed at broker-dealers other than the one at which your account is held are sometimes called "step-out" trades. Fees vary depending on which LFA programs and services you use. Fees may be billed in arrears or in advance, depending on the program and the terms of your client service agreement. Fees typically are charged monthly or quarterly based on the assets held within your account for services such as ongoing investment advice, investment selection and recommendations, asset allocation, execution of transactions (depending on the program you are in), custody of securities and account reporting services. Please see your client service agreement, Statement of Investment Selection ("SIS"), if applicable, and other account-opening documentation for additional information.

LFA's advisory fees generally are negotiable. Some programs charge separately for asset management services, ongoing investment advice, and transactions. In such programs, you may be charged brokerage costs for transactions in your account in addition to the advisory fees. Fees and other charges are described in more detail in the applicable program's client service agreement, SIS, if applicable, and Form ADV, Part 2A.



For additional information on LFA's investment advisory programs and services, please see LFA's Form CRS and Forms ADV, Part 2A, which are available through our website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures or at [www.lfg.com/public/individual/adv](http://www.lfg.com/public/individual/adv), and through the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). LFA's Form CRS and Forms ADV, Part 2A may also be requested by contacting LFA at (800) 237-3813 or by sending us an email at [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

## **Item 5: Fees and Compensation**

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Financial planning and consultation fees are charged according to various factors, including, but not limited to, the size and complexity of each client's financial circumstances and the client's income and net worth. The fee may depend on, among other things, whether the service is made available by an employer as an employee benefit and whether the fee is for a new contract or the renewal of a prior contract. All planning and consultation fees are based on the specific planning and consultation services provided to the client and the complexity of the client's financial situation and goals. Each IAR will negotiate with each client to determine the financial planning or consultation fees to be charged; therefore, fees vary among IARs and clients and some IARs charge higher fees than other IARs for similar services.

### **FINANCIAL PLANNING, CONSULTATION, AND SEMINAR FEES**

#### **Financial Planning Fees**

A fixed fee is specified in the financial planning contract and a down payment of up to 100% of the total fee is billed to the client when the contract is signed. The balance of the fee, if any, is payable upon delivery of the financial plan. Fees charged to clients typically range from \$1,500 to \$75,000 but may be higher depending on the complexity of the situation. However, because situations affecting the planning process may change, fees may be re-negotiated and adjusted during the planning process with the client's consent. Based on the client's individual financial situation and personal and/or business objectives, financial planning services may be provided in separate phases with a different fee charged for each phase. The individual phases and applicable fees are based on the various components of the planning process, such as data collection, definition of objectives, and recommendations on specific areas of the plan.

#### **Consultation Fees**

A flat fee is charged for consultation services and is specified in the consultation contract. The fee may be based upon an hourly rate, multiplied by an approximate number of hours, but cannot be paid as a retainer fee for future services to be determined. The fee will be determined and billed when the client signs the contract. Fees charged for these services typically range from \$75 to \$250 an hour but may be higher depending on the complexity of the situation.

#### **Seminar Fees**

Seminar fees are charged either as a flat fee for a group of attendees or a flat amount per attendee. Fees are usually paid up front. The seminar agreement is terminated automatically upon the earlier of the completion of the seminar and the payment of the fee to LFA; or the cancellation of the seminar and the return of the fee, if one has been paid, to the client.

### **TERMINATION OF SERVICES**

All financial planning, consultation, and seminar contracts may be terminated without penalty at the discretion of the client. If the client terminates the contract before the plan, consultation, or seminar has been completed, any fees for work already completed will be due and any prepaid unearned fees will be refunded.

For financial planning services, if the client is dissatisfied with the focus or specificity of their financial plan, LFA will, if requested by the client in writing within ten days of delivery of their financial plan, and at no additional cost to the client, make appropriate changes to the client's financial plan or, in LFA's sole discretion, refund part or all of the financial planning fee the client has paid.

For consultation services, if the client is dissatisfied with the focus or specificity of their consultation, LFA will, if requested by the client in writing within ten days of their consultation, and at no additional cost to the client, provide a single follow-up consultation or, in LFA's sole discretion, refund part or all of the consultation fee the client has paid.

## **COMPENSATION FOR THE SALE OF SECURITIES**

Financial planning and consultation clients have the option to purchase investment products recommended by LFA and the IARs through other brokers or agents that are not affiliated with LFA. Commissions and other compensation for the sale of investment products provide other sources of compensation for LFA and many of the IARs. Should a client choose to implement any of the recommendations made in a financial plan or consultation through LFA, LFA will be acting in its capacity as broker-dealer, not as an investment adviser (unless otherwise agreed in writing), in executing transactions for your account.

If any of the Lincoln Financial Group companies or an unaffiliated company acts as an issuer, underwriter, distributor or adviser with respect to a product or program sold to clients, LFA and its affiliates earn compensation from such sale. In addition, these products and programs contain charges and commissions payable to the IARs involved. LFA and the IARs will also receive incentive awards for the sale of investment products, and LFA and the IAR will receive 12b-1 distribution fees and/or other payments from investment companies in connection with the investment of client assets in LFA brokerage accounts.

Depending on which product and/or service you purchase, you will receive materials that disclose important information, such as product prospectuses, client service agreements, applications, and disclosure brochures. You should read and evaluate this information carefully and contact your IAR with any questions.

LFA has agreements with certain mutual fund families, alternative investment sponsors, insurance companies, third-party (or turn-key) asset management program ("TAMP") sponsors, third-party asset allocation providers ("Strategists"), and other counterparties (collectively, "sponsors") under which sponsors provide additional compensation, sometimes called "marketing support," to LFA. These marketing support payments subsidize the cost of educational programs and marketing activities that are designed to help facilitate the utilization of these sponsors' programs, products, and services and to make our IARs more knowledgeable about these sponsors' programs, products, and services. In addition, these payments allow these sponsors' representatives to attend and participate in LFA conferences where IARs are present, one-on-one marketing meetings, and due diligence presentations. The method, timing, rate, and amount of these marketing support payments vary by sponsor, program, product, and service, but marketing support payments typically are paid using one or more of the following methodologies: payment of a flat annual fee; payment of a percentage of each sale; and/or payment of an annual fee based on a percentage of total LFA client assets held with the sponsor. While payments vary by sponsor, sponsors generally pay LFA: flat annual fees that do not exceed \$100,000 annually; up to 1.5% of the gross amount of each sale; and/or up to 0.15% annually of total LFA client assets held with the sponsor. Accordingly, with respect to the arrangements where payments are based on a percentage of each sale or total client assets held with the sponsor, the payments LFA can receive will increase with the amount of client assets placed with the sponsor.

In addition to the marketing support payments that LFA receives through the formal marketing support arrangements described above, sponsors, including, but not limited to, those that have formal marketing support arrangements with LFA, make flat dollar payments to LFA from time to time. These payments are not made as part of any formalized agreement, but rather for specific activities, including, but not limited to, exhibit booth space, presentation opportunities at LFA meetings or similar events, attendance at conferences, educational events for IARs, and participation in other training and educational events. Some sponsors also reimburse LFA and, indirectly, IARs for certain expenses in connection with due diligence meetings, training and educational events, seminars that offer educational opportunities for clients, and similar events. Some sponsors also provide LFA and IARs with nominal gifts and gratuities, including, but not limited to, merchandise bearing the brand or logo of the sponsor.

The marketing support payments LFA receives from sponsors create incentives for LFA that result in conflicts of interest for LFA. In particular, LFA has an incentive to include the sponsors, programs, products, and services that make marketing support payments to LFA on LFA's platform and to recommend that you utilize sponsors, programs, products, and services that make such payments to LFA, rather than sponsors, programs, products, and services that do not make such payments to LFA. In addition, LFA has an incentive to include the sponsors, programs, products, and services that make the highest

or relatively higher marketing support payments to LFA on LFA's platform and to recommend that you utilize those sponsors, programs, products, and services, rather than sponsors, programs, products, and services that make relatively lower marketing support payments to LFA. LFA mitigates these conflicts of interest by disclosing them to you, not sharing any of these revenues with the IARs that recommend sponsors, programs, products, or services for your account, and requiring that there be a review of your account and transactions at account-opening and periodically to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

Additional information regarding LFA's marketing support arrangements, including a list of sponsors with which LFA has formal marketing support arrangements, can be found in the marketing support disclosures available on LFA's website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. Please review these marketing support disclosures in detail and discuss any questions you may have with your IAR.

LFA, the IARs, and clients also receive the benefit of certain services provided by program sponsors and custodians. These services may include performance reporting, statement creation and delivery, technology systems including online access to account information, fee liquidation, notification and payment services, marketing material and other services related to the management of investment advisory accounts. Some of these services may involve additional charges to LFA, the IARs, or to clients, while others are packaged and available as part of an investment advisory program without itemization of the cost of each product or service.

## **CUSTODIAN AND CLEARING FIRM RELATIONSHIPS**

Through its clearing relationship with National Financial Services, LLC ("NFS"), LFA receives certain revenue related to margin loans, free credit balances, and debit balances maintained by client accounts in addition to a portion of the Automated Customer Account Transfer Services fee charged by NFS. However, none of this revenue received by LFA is related to particular assets held by a client (such as a particular mutual fund product, mutual fund share class, or cash sweep vehicle recommended or selected) in program accounts, or related to transactions or activity specific to program accounts or in its role as the investment adviser on such accounts. The receipt by LFA of these types of revenue from the clearing and custodial firm arrangements supports and defrays the costs LFA has related to the ongoing operational and administrative maintenance of client accounts and compensates LFA for services provided in its role as broker-dealer or program sponsor for such client accounts. The payment of this revenue to LFA can be a factor in determining and selecting a particular custodian that we would otherwise select and utilize, such as NFS, and, as a result, presents a conflict of interest for LFA. We mitigate this conflict by disclosing it to you, ensuring the revenue LFA receives is not shared with the IARs providing investment advisory services and investment recommendations to you and your account, and by requiring that there be a review of your account and transactions at account-opening and periodically to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

LFA has a financial incentive to select or recommend NFS as the custodian for client accounts, to increase or maintain the amount of client assets held with NFS, and to maintain its relationship with NFS, based on the compensation that NFS provides to LFA and its affiliates. For example, under the agreement between LFA and NFS, LFA is entitled to receive annual business development credits during the term of the clearing relationship, has received non-recurring business development credits, and would be required to make certain payments to NFS if the clearing relationship were terminated for specified reasons or if LFA failed to maintain specified levels of client assets with NFS. Additionally, LFA is entitled to receive reimbursements for account transfer costs associated with client account transfers into NFS that represent new assets for NFS. These account transfer cost reimbursements may not be offered or available to all new clients transferring their assets to NFS. This creates a conflict of interest for the IAR because he or she could select which clients receive the benefit of the transfer cost reimbursement. We attempt to mitigate this conflict by disclosing it to you and attempting to ensure that any transfer cost reimbursements provided to a client account is directly proportional to the actual costs incurred by the client in transferring his or her account to NFS. This further ensures that the IAR does not benefit himself or herself at the expense of the client in terms of these transfer cost reimbursements that are made available to clients.

LFA has arrangements with custodians under which LFA provides the custodians with certain services, which vary by custodian. These services generally include, but are not limited to, (i) clerical assistance in completing account opening paperwork and opening client accounts, (ii) clerical assistance in maintaining client accounts, processing asset transfers and money movement, (iii) reconciling and assisting in updating client account information, (iv) clerical assistance in connection

with client questions and account information research, (v) helping clients with using brokerage and account services such as periodic investment programs and check writing services, (vi) notifying custodian of certain customer complaints, and (vii) monitoring activity in client accounts.

## **IAR COMPENSATION**

Some IARs receive additional compensation and benefits (including, but not limited to, discounted sponsor fees and educational and other opportunities) for reaching certain levels of assets under management in LFA's investment advisory programs and certain other benefits (including, but not limited to, recognition trips) for generating a certain amount of revenue in investment advisory fees, commissions, or both within a certain time period, typically one year. Clients are not charged any additional fees due to these circumstances. However, the receipt of additional compensation and benefits presents a conflict of interest that may affect the judgment of the IAR. We mitigate this conflict by disclosing it to you and by requiring that there be a review of your account and transactions at account-opening and periodically to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

Most IARs can recommend annuities, model portfolios, and other products that are managed and/or sold by Lincoln Financial Group companies, including, but not limited to, LNL, provided that the recommendations are suitable and in the client's best interest given the client's investment objectives, financial circumstances, and other characteristics. Lincoln Financial Group companies will profit when LFA clients purchase or use Lincoln Financial Group products as a result of IARs' recommendations. This presents a conflict of interest as LFA and the IARs have an incentive to recommend products based on the compensation they or their affiliates receive, rather than on a client's needs. We mitigate this conflict by disclosing it to you and by requiring that there be a review of your account and transactions at account-opening and periodically to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

In some cases, IARs receive more compensation when placing Lincoln Financial Group manufactured products and qualify for additional compensation based on the volume of those sales over time. IARs are also eligible for additional compensation and/or other incentives based on factors such as sales volume of certain Lincoln Financial Group products, the length of time that clients keep assets in the products, and/or the profitability of the products. IARs may also receive compensation based on the sales of Lincoln Financial Group products by other representatives. Some IARs participate in benefit programs whose costs are partially reimbursed by Lincoln Financial Group affiliates, and/or which are based on sales volume of Lincoln Financial Group products. LFA-affiliated companies will also benefit financially from the sale of Lincoln Financial Group life insurance, annuity, mutual fund and asset management products offered by IARs. These instances present conflicts of interest as these situations create a financial incentive for LFA and IARs to recommend products for which they or their affiliates receive higher compensation. We mitigate this conflict by disclosing it to you and attempting to ensure that IARs' and LFA registered representatives' recommendations are in your best interest, including by requiring that there be a review of your account and transactions at account-opening and periodically to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics. Because of the way products are priced and marketed, in certain circumstances, IARs may receive higher compensation for the sale of products offered by companies not affiliated with Lincoln Financial Group.

Some more experienced IARs who moved their practices to LFA have received loans based on future sales of products and services offered by LFA, including both Lincoln Financial Group and non-Lincoln Financial Group products and services. In the past, some loans were offered based on Lincoln Financial Group products alone. Depending on the arrangement between LFA and the IAR, the repayment of certain of these loans may be fully or partly waived based on reaching certain sales levels or revenues generated by the IAR or the IAR's time spent affiliated with LFA or may be funded by additional compensation for these sales. This arrangement creates a conflict of interest for the IAR in that he or she has an additional financial incentive to achieve specified levels of sales or revenue generation, which could impact the recommendations made to customers. LFA has revised its production-based forgivable loan program to implement new required controls and policies. These controls and policies attempt to ensure that the loan amount provided to an IAR is not disproportionate to the IAR's overall production and compensation amounts earned historically. Additionally, the amount that may be forgiven in any one year of the term of the loan is capped, unless an exception is granted. This structure and approach attempt to avoid unduly influencing an IAR to have significant disproportionate production or compensation earned in any given year to attempt to receive a large windfall in having large outstanding loan amounts forgiven.

The conflicts of interest arising from the IAR compensation arrangements described above are mitigated by the fact that LFA, LNL and their affiliated companies have designed and implemented reasonable policies and procedures to help ensure that IARs make recommendations and provide advice that is in the best interest of their clients in compliance with applicable best interest requirements and fiduciary obligations. In addition, LFA maintains a supervisory system that includes conducting periodic supervisory and compliance inspections and audits related to the advice and recommendations being provided by IARs.

#### **Item 6: Performance-Based Fees and Side-By-Side Management**

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LFA and the IARs do not charge fees based on a share of capital gains or capital appreciation of client assets.

#### **Item 7: Types of Clients**

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LFA generally provides investment advisory services to individuals, high net worth individuals, pension and profit-sharing plans, charitable organizations, corporations and other businesses, and state or municipal government entities.

LFA does not require a minimum account size for financial planning, consultation, or seminar services, nor does it require financial planning, consultation, or seminar clients to maintain either a brokerage or advisory account with LFA.

#### **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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### **METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

LFA provides its financial planning services using both fundamental and technical approaches to financial planning. The financial plans may provide analysis and advice in the following areas: investment planning, risk management, retirement planning, estate planning, education planning, business succession planning, executive compensation planning, entity planning, employee benefits planning, and nonqualified deferred compensation financial planning.

In the financial planning process, IARs will assist clients in identifying their financial objectives using approved questionnaires and software. As part of this process, clients are responsible for providing LFA with information that is accurate and complete, and any failure to do so is likely to affect the analysis and recommendations contained in the financial plan prepared for a particular client. IARs will recommend asset allocation strategies made up of different categories of financial assets in order to address specific client-identified economic and tax concerns. IARs have the latitude to determine how best to develop the financial plans that they present to clients. As a result, the composition of financial plans and the underlying recommendations offered by different IARs may vary greatly.

### **CLIENT RESPONSIBILITIES**

Your financial plan is based on the information you provide to LFA and your IAR. Your IAR and LFA will only be responsible for updating and correcting the information you provided for the financial plan (e.g., to reflect changes in your life, financial situation, goals, and market or economic conditions) if you engage them to provide a new financial plan or engage them to update the information you provided previously in order to update or correct an existing financial plan before it is finalized. As a result, your financial plan may become outdated or inaccurate as these factors change over time. LFA is not responsible for the accuracy of the assumptions and calculations made in financial planning software by third parties. Enhancements and changes to financial planning software may be made in the future.

It is the client's responsibility to determine if, and how, the recommendations contained in LFA's financial plan should be implemented or otherwise followed. Clients should carefully consider all relevant factors in making these decisions, and clients are encouraged to consult with outside professional advisors, including for tax, accounting and legal advice.

### **RISK OF LOSS**

LFA's financial planning services include a recommended financial plan that is based on, among other things, a client's stated financial situation and objectives, risk tolerance, age, current asset allocation and value of assets. The recommended financial plan is also based on historical financial data and assumptions about future financial trends (including market appreciation or decline, rates of return and risks for various asset classes). Historical data is not indicative of future

performance and assumptions about future events may not prove to be true or relevant. LFA has no obligation to revise a client's financial plan or otherwise advise the client if any of LFA's assumptions change in the future. Further, there can be no assurance that a financial plan recommended by an IAR will be successful in achieving the client's investment goals and objectives.

LFA's financial plans do not provide ongoing advice. Therefore, it is important for clients to monitor current events, such as changes in tax laws and in the financial markets, which may affect clients' financial plans and circumstances. Clients should reconsider their financial planning strategy and decisions from time to time to determine the impact that these events or changes may have on their circumstances.

In the financial planning process, the IAR does not make recommendations regarding the purchase of specific insurance or investment products. If clients decide to implement the proposed recommendations through a brokerage or investment advisory account, clients should understand that all investments involve risk, that investment performance can never be predicted or guaranteed and that the value of client accounts will fluctuate due to market conditions and other factors. Clients are assuming the risks involved with investing in securities and could lose all or a portion of the amount held in their account. In addition, forecasts of future performance of financial markets may prove to be incorrect. Diversification helps you spread risk throughout your investment portfolio. Different asset classes have different risk and potential return profiles and they perform differently in different market conditions. Diversification alone will not guarantee a profit or protect against a loss.

Investments made and the actions taken for any such brokerage or advisory account will be subject to various market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance is not a guarantee of future results.

In addition to the risks listed above, there are material risks associated with the types of products in which you invest, including, but not limited to, mutual funds, exchange-traded funds ("ETFs"), interval funds, options, and annuities. Before investing, clients should refer to the prospectus or other applicable offering documents of those particular products for a discussion of risk factors applicable to those particular products and clients' investments therein.

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#### **Item 9: Disciplinary Information**

LFA is a registered broker-dealer and investment adviser. While LFA and certain of its financial professionals have been the subject of legal and disciplinary events relating to their brokerage and investment advisory businesses, LFA does not view these events as being material to a client's evaluation of LFA's advisory business or the integrity of its management. Additional information regarding LFA's and its financial professionals' legal and disciplinary histories can be found in Part 1 of LFA's Form ADV, which is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), and on the Financial Industry Regulatory Authority, Inc.'s BrokerCheck website at <https://brokercheck.finra.org/>.

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#### **Item 10: Other Financial Industry Activities and Affiliations**

In addition to LFA's registration as an investment adviser, LFA is also registered as a broker-dealer and sells stocks, bonds, ETFs, mutual funds, annuities, insurance products, options, and other investment products and services. IARs are also generally registered representatives of LFA. Some of LFA's executive officers are also officers of LNL and Lincoln Life & Annuity Company of New York. The proportion of time spent on each of these activities cannot be readily determined.

LFA is affiliated with the following companies due to common ownership by LNC:

- The Lincoln National Life Insurance Company (insurance company);
- Lincoln Life & Annuity Company of New York (insurance company);
- LFA, Limited Liability Company (insurance agency);
- Lincoln Financial Distributors, Inc. (broker-dealer);
- Lincoln Financial Securities Corporation (broker-dealer, investment adviser, and insurance agency);
- Lincoln Investment Advisors Corporation (investment adviser);
- First Penn-Pacific Life Insurance Company (insurance company);
- JPSC Insurance Services, Inc. (insurance agency);
- California Fringe Benefit and Insurance Marketing Corporation (insurance agency);
- LFD Insurance Agency, Limited Liability Company (insurance agency);



- Lincoln Financial Group Trust Company, Inc. (trust company);
- Lincoln Investment Management Company (investment adviser);
- Westfield Assigned Benefits Company (insurance agency); and
- Lincoln Life Assurance Company of Boston (insurance company).

Conflicts of interest are created by financial incentives and/or compensation arrangements between LFA and its affiliates. These conflicts of interest and the steps LFA takes to address them are described above in Item 5, Fees and Compensation.

LFA may recommend or select other investment advisers for clients and receive compensation directly or indirectly from those advisers. This creates a conflict of interest in that LFA and the IARs have a financial incentive to recommend advisers based on compensation paid. These conflicts of interest and the steps LFA takes to address them are described above in Item 5, Fees and Compensation.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **CODE OF ETHICS**

LFA has adopted an Investment Adviser Code of Ethics (the “Code”) and all IARs and “access persons” (as defined under the Investment Advisers Act of 1940, as amended (the “Advisers Act”)) are required to understand and follow its provisions. Through the Code, LFA strives to ensure high standards of professional excellence and ethical conduct among its associates. The Code is aligned with Lincoln Financial Group’s long-standing shared values of: Integrity, Commitment of Excellence, Responsibility, Respect, Fairness, Diversity and Employee Ownership. LFA will provide a copy of the Code to any client or prospective client upon request. If you would like a copy of the Code, please call (800) 237-3813 or send an email request to [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

### **SECURITIES IN WHICH LFA HAS A FINANCIAL INTEREST**

LFA may engage in principal transactions mainly involving debt securities. When doing so, these securities are recommended to LFA’s clients on a fully disclosed basis and are conducted on a “riskless transaction” basis. Under these circumstances, LFA may buy or sell securities it recommends to its clients as a principal. All of this information is fully disclosed to clients through trade confirmations.

### **PERSONAL SECURITIES TRADING**

LFA, the IARs and other associated persons may buy or sell securities identical to those recommended to clients for their personal accounts. Moreover, the IARs can recommend buying and selling securities for their own accounts or for the accounts of other clients which differ from advice given or actions taken in providing advisory services to you. In addition, any related person may have an interest or position in certain securities which may also be recommended to clients. This creates a conflict of interest in that IARs have an incentive to put their own interests ahead of clients’ interests. LFA procedures require that client orders be placed ahead of orders for LFA accounts or accounts of IARs. Personal securities transactions by IARs are recorded and monitored by LFA. LFA procedures also prohibit LFA orders and orders for the benefit of IARs from being included in any applicable “block trades,” or orders aggregated across client accounts for the purpose of seeking cost-effective execution of client orders. LFA policies require that best execution be sought for all client orders in which LFA or the IARs are responsible for order entry. Where a conflict of interest exists, this is disclosed to the client in the client service agreement or the disclosure documents for that program.

IARs may provide financial plans to clients containing recommendations regarding investment services or product categories that are offered by LFA or its affiliates. IARs will not recommend that clients implement their financial plans through LFA; however, IARs may make clients aware that LFA or its affiliates offer products or services contained in a recommended financial plan. The decision of whether to implement a recommended financial plan and through which financial firms to implement is solely that of the client. IARs will not base recommendations made in a client’s financial plan on the products or services offered through LFA or its affiliates, but instead will base their recommendations on the investment objectives and financial condition of the particular client. Nonetheless, IARs have a financial incentive to recommend products or services that are offered by LFA or its affiliates.

## **Item 12: Brokerage Practices**

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As described above, LFA's financial planning services are completed upon the delivery of a recommended financial plan to a client. Clients are neither required to implement any of the recommendations made in a financial plan, nor required to transact business through LFA in implementing any portion of the recommended financial plan. IARs generally make clients aware that brokerage and investment advisory services are offered by LFA or its affiliates, through which a client can implement its recommended financial plan. However, the decision as to whether to implement a financial plan and which financial firm to use for implementation is solely that of the client. If a client chooses to implement any or all of the recommendations made in a financial plan through LFA, LFA will be acting solely as a broker-dealer, not as an investment adviser in implementing such plan (unless otherwise agreed in writing).

For additional information on conflicts of interest created by the recommendation of LFA as a broker-dealer, or the recommendation of certain other broker-dealers for asset management programs, including compensation arrangements between LFA and other broker-dealers, please see Item 5, Fees and Compensation, above.

## **Item 13: Review of Accounts**

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In the financial planning process, all recommendations are generally reviewed by the Director of Planning or his or her designee. After the first anniversary of the plan, the client may request, or the IAR may recommend, that the contract be renewed to update the financial plan. In this case, the IAR will gather current financial information and provide a written analysis, which will be reviewed based on the same process. Financial planning clients do not receive periodic or ongoing reports, but instead receive a completed financial plan at the completion of the financial planning process.

## **Item 14: Client Referrals and Other Compensation**

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For a description of the economic benefits received by LFA and IARs from entities who are not clients, as well as conflicts of interest created by those benefits and how they are addressed, please see Item 5, Fees and Compensation, above.

## **SOLICITOR RELATIONSHIPS**

Clients are obtained primarily through the efforts of IARs; however, solicitors periodically refer clients to LFA. Pursuant to Rule 206(4)-3 under the Advisers Act, LFA pays referral fees to certain solicitors as compensation for their client referrals. Rule 206(4)-3 under the Advisers Act requires LFA to document its arrangements with solicitors pursuant to written agreements between the parties. In addition, third-party solicitors are required to deliver to each client solicited on LFA's behalf a copy of LFA's Form ADV, Part 2A and a separate written disclosure document describing the relationship between LFA and the solicitor, including the compensation the solicitor is being paid to refer clients to LFA. The referral fees LFA pays to solicitors generally are a stated percentage of the advisory fees that referred clients pay to LFA. Any advisory fees paid by a referred client are agreed to by the client and are fully disclosed to the client in their client service agreement, SIS, and related account-opening documents and disclosures, regardless of any referral fees LFA pays to the solicitor.

## **OTHER COMPENSATION**

LFA and IARs receive economic benefits from third parties in a number of ways. Many of those are addressed in Item 5, Fees and Compensation, above.

If a client needs certain types of products or services that are not offered by LFA, LFA may refer the client to various third-party entities that provide these products or services. LFA may be paid referral fees by these third parties depending on the arrangement between LFA and the third party. Examples of these types of products and services include business valuation, foundation formation, tax strategies, trustee services, certain wealth management services, and other services.

## **Item 15: Custody**

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LFA does not have custody of client funds or securities in connection with its financial planning services.



LFA and the IARs generally do not take possession of client funds or securities. However, in certain asset management programs, clients have authorized LFA to deduct advisory fees from their accounts. While LFA and the IARs do not accept authority to take possession of client assets, this level of account access is considered “custody” under Advisers Act rules. Additionally, LFA allows clients to grant authority to their IARs to initiate transfers of funds and securities on the client’s behalf, including transfers to third parties, through standing written authorizations. The SEC has determined that this capability is considered “custody” under Advisers Act rules.

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**Item 16: Investment Discretion**

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LFA does not accept discretionary authority in connection with its financial planning services.

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**Item 17: Voting Client Securities**

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LFA does not accept authority to vote client securities or proxies in connection with its financial planning services.

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**Item 18: Financial Information**

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LFA’s consolidated statement of financial condition for its most recent fiscal year is included with this Brochure. LFA does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.

Lincoln Financial Advisors Corporation

Consolidated Statement of Financial Condition  
(in thousands)

	Year-Ended December 31, 2020
<b>Assets</b>	
Cash and invested cash	\$ 58,342
Financial instruments owned, at fair value	17,391
Commissions and fees receivable from third parties	35,900
Commissions and fees receivable from affiliates	7,520
Due from affiliates	5,950
Deferred tax asset	5,832
Prepaid expenses	1,278
Other assets, cash invested with affiliate	3,048
Other assets	18,949
Net property and equipment (accumulated depreciation: \$12,060)	4,341
Total assets	<u>\$ 158,551</u>
<b>Liabilities and stockholder's equity</b>	
Liabilities:	
Payable to vendors	\$ 1,342
Due to affiliates	41,198
Deferred revenue	3,855
Accrued commissions	17,567
Accrued compensation and benefits	5,904
Other liabilities	12,685
Total liabilities	<u>82,551</u>
Stockholder's equity:	
Common stock - \$100 par value; 5,000 shares authorized, issued, and outstanding	500
Additional paid-in capital	23,232
Retained earnings	52,268
Total stockholder's equity	<u>76,000</u>
Total liabilities and stockholder's equity	<u>\$ 158,551</u>

Lincoln Financial Advisors Corporation and Lincoln Financial Securities Corporation (both a part of Lincoln Financial Network or LFN) are committed to protecting your privacy. To provide the products and services you expect from a financial services leader, we must collect personal information about you. We do not sell your personal information to third parties. This Notice describes our current privacy practices. While your relationship with us continues, we will update and send our Privacy Practices Notice as required by law. Even after that relationship ends, we will continue to protect your personal information. This Notice explains our information sharing practices and provides information on how to contact us if you have questions regarding our privacy practices. You do not need take any action because of this Notice, but you do have certain rights as described below.

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## Information We May Collect And Use

We collect personal information about you to help us identify you as a consumer, our customer or our former customer; to process your requests and transactions; to provide customer service; to offer and provide investments, financial planning and insurance products and services to you; to pay your claim; to analyze in order to enhance our products and services; to tell you about our products or services we believe you may want and use; and as otherwise permitted by law. The type of personal information we collect depends on your relationship and on the products or services you request and may include the following:

- **Information from you:** When you submit your application or other forms, you give us information such as your name; address; Social Security number; and your financial, health, and employment history; and if applicable, financial and other information about your business. We may also collect voice recordings or biometric data for use in accordance with applicable law.
- **Information about your transactions:** We keep information about your transactions with us, such as the products you buy from us and the services you engage us to provide; the amount you paid for those products and services; your account balances; and your payment history.
- **Information from outside our family of companies:** If you are applying for or purchasing insurance products, we may collect information from consumer reporting agencies, such as your credit history; credit scores; and driving and employment records. With your authorization, we may also collect information, such as medical information, from other individuals or businesses.
- **Information from your employer:** If your employer applies for or purchases group products from us, we may obtain information about you from your employer or group representative in order to enroll you in the plan.

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## How We Use Your Personal Information

We may share your personal information within our companies and with certain service providers. They use this information to process transactions you, your employer, or your group representative have requested; to provide customer service; to assist us in offering and providing investments, financial planning, and insurance products and services; to analyze in order to enhance our products and services; to gain customer insight; and to inform you of products or services we offer that you may find useful. Our service providers may or may not be affiliated with us. They include financial service providers (for example, third party administrators; broker-dealers; insurance agents and brokers, financial professionals; reinsurers and other financial services companies with whom we have joint marketing agreements). Our service providers also include non-financial companies and individuals (for example, consultants; vendors; and companies that perform marketing services on our behalf). Information we obtain from a report prepared by a service provider may be kept by the service provider and shared with other persons; however, we require our service providers to protect your personal information and to use or disclose it only for the work they are performing for us, or as permitted by law.

When you apply for one of our products, we may share information about your application with credit bureaus. We also may provide information to group policy owners, or their designees (for example, to your employer for employer-sponsored plans and their authorized service providers), regulatory authorities and law enforcement officials and to others when we believe in good faith that the law requires disclosure. In the event of a sale of all or part of our businesses, we may share customer information as part of the sale. We do not sell or share your information with outside marketers who may want to offer you their own products and services; nor do we share information we receive about you from a consumer reporting agency. You do not need to take any action for this benefit.

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## Security of Information

We have an important responsibility to keep your information safe. We use safeguards to protect your information from unauthorized disclosure. Our employees are authorized to access your information only when they need it to provide you with products, services, or to maintain your accounts. Employees who have access to your personal information are required to keep it confidential. Employees are required to complete privacy training annually.

## Your Rights Regarding Your Personal Information

**Access:** We want to make sure we have accurate information about you. Upon written request we will tell you, within 30 business days, what personal information we have about you. You may receive a copy of your personal information in person or receive a copy electronically, or by mail, whichever you prefer. We will share with you who provided the information. In some cases, we may provide your medical information to your personal physician. We will not provide you with information we have collected in connection with, or in anticipation of, a claim or legal proceeding. If you request a copy of the information, we may charge you a fee for copying and mailing costs. In very limited circumstances, your request may be denied. You may then request that the denial be reviewed.

**Accuracy of Information:** If you feel the personal information we have about you is inaccurate or incomplete, you may ask us to amend the information. Your request must be in writing and must include the reason you are requesting the change. We will respond within 30 business days. If we make changes to your records as a result of your request, we will notify you in writing and we will send the updated information, at your request, to any person who may have received the information within the prior two years. We will also send the updated information to any insurance support organization that gave us the information, and any service provider that received the information within the prior 7 years. If your requested change is denied, we will provide you with reasons for the denial. You may write to request the denial be reviewed. A copy of your request will be kept on file with your personal information so anyone reviewing your information in the future will be aware of your request.

**Accounting of Disclosures:** If applicable, you may request an accounting of disclosures made of your medical information, except for disclosures:

- For purposes of payment activities or company operations;
- To the individual who is the subject of the personal information or to that individual's personal representative;
- To persons involved in your health care;
- For notification for disaster relief purposes;
- For national security or intelligence purposes;
- To law enforcement officials or correctional institutions; or
- For which an authorization is required.

You may request an accounting of disclosures for a time period of less than six years from the date of your request.

**Basis for Adverse Underwriting Decision:** You may ask in writing for the specific reasons for an adverse underwriting decision. An adverse underwriting decision is where we decline your application for insurance, offer to insure you at a higher than standard rate, or terminate your coverage.

Your state may provide for additional privacy protections under applicable laws. We will protect your information in accordance with these additional protections.

If you would like to act upon your rights regarding your personal information, please provide your full name, address and telephone number and either email your inquiry to our Data Subject Access Request Team at [DSAR@lfg.com](mailto:DSAR@lfg.com) or mail to: Lincoln Financial Group, Attn: Corporate Privacy Office, 7C-01, 1300 S. Clinton St., Fort Wayne, IN 46802. The [DSAR@lfg.com](mailto:DSAR@lfg.com) email address should only be used for inquiries related to this Privacy Notice. For general account service requests or inquiries, please call 1-877-ASK-LINC.

**When Financial Professionals Leave Lincoln Financial Network:** We understand that the relationship you have with your financial professional is important to you. If your financial professional's affiliation with LFN ends and they choose to move to a different broker-dealer, or if your financial professional's relationship with LFN is terminated, your LFN financial professional may be allowed to take with them copies of all client and account documentation (including but not limited to: account applications; customer statements; and other pertinent forms related to your account), so your financial professional is able to continue the relationship with you and service your account through their new firm. LFN will also retain copies of your client and account documentation. You do not need to take action if you choose to allow your LFN financial professional to keep copies of your confidential information should they leave LFN.

If you do not want your financial professional to keep copies of your confidential information should they decide to end the relationship with LFN in the future, you have the right to opt out\*. If your account with us is a joint account, we will treat the opt out request by a joint account owner as applying to all owners on the account. If you choose to opt out now, or at any time in the future, or wish to withdraw your opt out request, contact us by phone at 1-800-248-2285. If you choose to opt out there will be a 30-day period before your opt out will take effect.

\*Lincoln adheres to all applicable state and federal privacy regulations. Residents of Arizona, California, Connecticut, Georgia, Maine, Massachusetts, Minnesota, Montana, Nevada, New Mexico, New Jersey, North Carolina, North Dakota, Ohio, Oregon, Vermont, and Virginia will be provided an opportunity to opt in for information sharing per applicable state law. If you reside in one of these states, written authorization must be provided to your financial professional in order for them to take your information when they leave LFN.

\*\*This information applies to the following Lincoln Financial Network companies:

Lincoln Financial Advisors Corporation  
Lincoln Financial Securities Corporation JPSC  
Insurance Services, Inc.  
LFA, Limited Liability Company  
GB07367