



**Osaic FA, Inc.  
Financial Planning  
Form ADV, Part 2A**

June 6, 2024

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[www.lfa-sagemark.com](http://www.lfa-sagemark.com)

**This brochure provides information about the qualifications and business practices of Osaic FA, Inc. If you have any questions about the contents of this brochure, please contact us at (800) 237-3813 or [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 Osaic FA, Inc. 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 interim updating amendment to the brochure (this “Brochure”) for the financial planning services offered by Osaic FA, Inc. (“OFA”) (formerly known as Lincoln Financial Advisors Corporation or LFA) is dated June 6, 2024 and the last annual updating amendment to this Brochure was dated March 28, 2024. Material changes to this Brochure since the last annual updating amendment dated March 28, 2024 include the following:

- OFA updated this Brochure and Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 to reflect the fact that Lincoln Financial Advisors Corporation has rebranded and changed its name to Osaic FA, Inc. effective June 6, 2024.
- Prior to the rebrand and name change effective June 6, 2024 as detailed above, Items 4, 5, 10, and 11 of this Brochure were updated on May 28, 2024 as part of an interim updating amendment to reflect the fact that Lincoln Financial Advisors Corporation was acquired by Osaic Holdings, Inc. effective May 6, 2024.

You are strongly encouraged to read this Brochure in detail and contact your IAR with any questions. If you would like another copy of this Brochure or a copy of any other OFA 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 another copy of this Brochure or a copy of any other OFA brochure by contacting OFA 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 OFA**

OFA was incorporated in 1968 and has been registered with the SEC as an investment adviser since 1992. OFA is a wholly-owned subsidiary of Osaic Holdings, Inc., which is owned by a consortium of investors primarily through RCP Artemis Co-Invest, L.P. and RCP Harvest Co-Invest, L.P., investment funds affiliated with Reverence Capital Partners LLC. The consortium of investors includes RCP Genpar Holdco LLC, RCP Genpar L.P., RCP Opp Fund II GP, L.P., and The Berliniski Family 2006 Trust.

As of December 31, 2023, OFA managed approximately \$27.0974 billion of client assets on a non-discretionary basis and approximately \$10.0365 billion of client assets on a discretionary basis.

OFA offers a wide variety of investment advisory programs and services, which are sometimes marketed using the name Sagemark Consulting, a division of OFA. Certain of OFA's IARs market their practices using marketing names that differ from the name under which OFA primarily conducts its advisory business. In these circumstances, clients should be aware that all investment advisory services described herein are provided by IARs through and on behalf of OFA, not the marketing names that IARs use to market their practices.

OFA's IARs assist clients in pursuing their financial goals by providing personalized financial planning services and investment solutions. Any information you receive from OFA or the IARs relating to the tax considerations affecting your financial arrangements or transactions is not intended to be tax advice and you should not rely upon it as tax advice. Neither OFA nor the IARs provide tax, legal, or accounting advice.

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

- WealthLinc Platform (which includes the WealthLinc Access Program and the WealthLinc Alliance Program) (“WealthLinc”);
- Premier Plus Wealth Management Program;
- Premier Series Wealth Management Program (which includes the Premier Separately Managed Accounts Program, Premier Unified Portfolio, the PMC Strategist Program, and the Premier Strategist Program); 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 expenses you will pay, the compensation OFA and the IARs will receive, and OFA's and the IARs' conflicts of interest in connection with them, you should refer to the Form ADV, Part 2A for the particular advisory program or service, 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 OFA at (800) 237-3813 or [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

### **FINANCIAL PLANNING SERVICES**

IARs provide financial planning services through a written financial 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 agreement date, though more complex planning work may take longer to complete.

OFA's planning services are advisory only. Any information you receive from OFA or the IARs relating to the tax considerations affecting your financial arrangements or transactions is not intended to be tax advice and you should not rely upon it as tax advice. Neither OFA 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 relevant documents are received, your IAR will analyze your financial data and make observations based upon your current financial circumstances. Your IAR will identify financial challenges you may be facing, recommend specific financial planning strategies for your consideration, and summarize those observations and recommendations 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 Strategies.*** Your IAR will provide advice to enable you to make informed decisions with respect to property ownership, distribution of assets, estate tax reduction strategies, 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. Where relevant, the planning process will include a discussion of gifting, trust implementation, wills, the disposition of business interests, and related matters. Tax consequences and their implications are also identified and evaluated; however, clients should consult with their tax advisors to discuss the tax consequences of any estate planning strategy they intend to implement.
- ***Retirement Planning.*** The retirement planning process includes an analysis of your current situation, a written discussion about alternative retirement 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 also identified and evaluated; however, clients should consult with their tax advisors to discuss the tax consequences of any retirement planning strategy they intend to implement.
- ***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; however, clients should consult with their tax advisors to discuss the tax consequences of any investment planning strategy they intend to implement. Once your current situation has been reviewed, your IAR will recommend strategies and investment techniques for your consideration. 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 financial 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 those objectives. This includes strategies designed to help minimize negative tax implications, not only in the accumulation phase, but also in the distribution phase; however, clients should consult with their tax advisors to discuss the tax consequences of any education planning strategy they intend to implement.
- ***Risk Management.*** The risk management planning process includes an evaluation of the impact of a potential premature death, disability, or long-term care event on your family's financial 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 you meet your objectives while mitigating 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; however, clients should consult with their tax advisors to discuss the tax consequences of any business succession planning strategy they intend to implement.

- ***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 also identified and evaluated; however, clients should consult with their tax advisors to discuss the tax consequences of any executive compensation planning strategy they intend to implement.
- ***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; however, clients should consult with their tax advisors to discuss the tax consequences of any entity planning strategy they intend to implement.
- ***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; however, clients should consult with their tax advisors to discuss the tax consequences of any employee benefits planning strategy they intend to implement.
- ***Executive Financial Planning.*** OFA enters into agreements with businesses and other associations to provide financial planning services to their executives, partners, members, directors, and other personnel. 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 on behalf of its personnel.
- ***Nonqualified Deferred Compensation Financial Planning.*** OFA 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. Clients should consult with their tax advisors to discuss the tax consequences of any nonqualified deferred compensation planning strategy they intend to implement.

OFA, through the IARs, will deliver a written financial analysis and plan to the client in hard copy or electronic format and will contact the client for a review of the plan. After this review, OFA’s and its IARs’ 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. OFA and its IARs 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 client renews their financial planning agreement as described below.

### **Renewal Plans**

After your initial financial planning agreement with OFA is completed, you may request, or your IAR may suggest, that your planning agreement 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 and will be memorialized in the renewal invoice and/or other documentation you receive from OFA and your IAR in connection with your 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, your IAR will analyze current data you provide, prepare an updated written summary (in electronic or hard copy format) reflecting your current financial circumstances, and, where appropriate, recommend updated 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 one or more of the following areas: estate planning strategies, 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. Your 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 consider entering into a financial planning relationship with OFA as described above.

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

OFA enters into agreements with businesses and other associations to provide consultation services to their executives, partners, members, directors, and other personnel. 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 on behalf of its personnel.

### ***Consulting Subscription Services***

Consulting subscription services are more limited than the services included with a full financial plan. With consulting subscription services, clients have the ability to engage OFA and its IARs to provide general investment advice and guidance regarding estate planning strategies, investment planning, retirement planning, risk management, education planning, business succession planning, and/or other financial matters, as applicable, over the course of a set subscription term of up to 24 months. During the term of a subscription agreement, clients will receive a minimum of two substantive consultations during each 12-month period of the term of their subscription agreement (the minimum substantive consultation obligations will be prorated for subscription periods of less than 12 months) that will allow OFA and its IARs to, among other things: (i) ensure they understand the client's current financial circumstances, objectives, and needs and, if necessary, obtain any relevant documentation; (ii) provide general investment advice and guidance regarding key financial matters the client would like to address during the term of their subscription agreement; and (iii) provide timely investment advice and guidance regarding current matters impacting the client's financial life. Additionally, all consulting subscription clients have reasonable access to their IAR throughout the term of their subscription agreement that will allow them to seek additional timely investment advice and guidance from their IAR regarding significant financial decisions, significant life events, financial concerns, or other important matters impacting their financial life. The terms of subscription agreements entered into prior to the date of this Brochure will in certain circumstances vary from the information described above. Existing consulting subscription clients should refer to their subscription agreements for definitive information regarding the terms of their consulting subscriptions.

The consulting subscription services provided by your IAR are limited to the general investment advice and guidance given during each consultation conducted during the term of your subscription agreement 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 consider entering into a financial planning relationship with OFA as described above. Additionally, subscription agreements do not require OFA or your IAR to continuously monitor your financial circumstances, objectives, or needs; your accounts with OFA or other financial services firms; or the securities and other products you purchase and hold in such accounts. Further, subscription agreements do not require OFA or your IAR to provide any other oversight or ongoing asset management or portfolio management services, including security or other investment product recommendations or selections, with respect to your accounts with OFA or other financial services firms or the securities and other products you purchase and hold in any such accounts. If you would like OFA to provide you with account monitoring, account oversight, or ongoing asset management or portfolio management services, you should speak with your IAR regarding OFA's fee-based investment advisory programs and services.

### ***Seminars***

OFA 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 strategies, investment planning, retirement planning, business succession planning, education planning, and risk management. Seminars are held on a negotiated fee basis. The generalized investment information provided during seminars is not intended to meet the objectives of any individual client or seminar attendee.

### **Implementation of Financial Planning Advice**

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 OFA or an IAR. The implementation of any recommended strategies is entirely at the client's discretion. The recommendations provided by IARs may be implemented through OFA, 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. OFA 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 carefully consider the risks, costs, and potential benefits of purchasing particular products or services, and you are encouraged to seek further advice from your attorney, tax specialist, accountant, and other professional advisors, particularly in connection with estate planning strategies, tax matters, and business owner planning issues.

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

If a client chooses to implement the advice they receive in a financial plan or consultation through OFA, the client's OFA financial professional will be acting as a salesperson in the sale of securities, insurance products, and other investment products and may provide separate investment advisory services in connection with the management of client assets. A client who makes the decision to implement planning or consultation recommendations through OFA and its financial professionals will have access to a broad portfolio of securities, insurance products, and other investment products. Securities and other investment products accessible through OFA and its financial professionals are restricted to products approved for sale by OFA. OFA, in its role as a registered investment adviser, also offers a variety of asset management programs and services.

### **AVAILABLE ACCOUNTS AND RELATIONSHIP TYPES**

When you choose to purchase products and services through OFA and work with an OFA 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 for you to understand the services you will receive, the fees, costs, and expenses you will



pay, and OFA's and your OFA financial professional's conflicts of interest in connection with each of these different types of accounts and relationships with OFA and your OFA financial professional. These services, fees, costs, expenses, and conflicts of interest are summarized below and described in much greater detail in OFA's Form CRS, Regulation Best Interest ("Reg BI") Disclosure Document, and Forms ADV, Part 2A, as applicable, which are available on OFA'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 a transaction-based account, such as a brokerage account, you will pay commissions and other charges (such as sales loads on mutual funds and other securities and investment products) at the time of each transaction, such as the purchase or sale of a mutual fund, stock, bond, option, alternative investment ("AI"), or other security or investment product. These commissions and other charges are OFA's and your OFA financial professional's primary source of compensation for the transaction-based advice your OFA financial professional provides when recommending such transactions. When serving as your broker, your OFA financial professional can make recommendations and provide guidance to you in selecting securities, other investment products, and services. Your OFA financial professional may also provide investment education and research services, which are incidental to the brokerage services OFA provides. A transaction-based account can potentially be more appropriate for you 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 securities and other investment products. Additionally, this type of account can potentially result in lower costs for you if you expect to trade on an infrequent or occasional basis.

When OFA and your OFA financial professional make securities and investment strategy recommendations to you as broker-dealer for your transaction-based account, such as a brokerage account, OFA and your OFA financial professional will be acting in their broker-dealer capacities for such account and are required to act in your best interest, without placing their financial or other interests ahead of your interests. Additionally, when OFA and your OFA financial professional provide investment advice to you on a regular basis regarding your Employee Retirement Income Security Act of 1974, as amended ("ERISA"), retirement plan account or individual retirement account ("IRA"), OFA and your OFA financial professional are fiduciaries within the meaning of Title I of ERISA and/or the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), as applicable, which are laws governing retirement accounts. You should be aware that OFA and your OFA financial professional are subject to various conflicts of interest in connection with the recommendations and other services they provide to you in connection with your transaction-based accounts. These conflicts of interest result from various arrangements, including, but not limited to, the roles OFA and your OFA financial professional play in a transaction, OFA's and your OFA financial professional's compensation arrangements, and OFA's financial and other arrangements with custodians, clearing firms, other service providers, its affiliates, third-party product and service providers, and others. Important information regarding these conflicts of interest is provided in OFA's Form CRS and Reg BI Disclosure Document, as well in the other important client disclosures available on OFA's website, [www.lfa-sagemark.com](http://www.lfa-sagemark.com).

**For additional information on OFA's broker-dealer services and transaction-based account offerings, please see OFA's Form CRS and Reg BI Disclosure Document, which are available on OFA's website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures. OFA's Form CRS and Reg BI Disclosure Document may also be requested by contacting OFA at (800) 237-3813 or [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com). For detailed information regarding the commissions, trading/execution fees, and brokerage service charges that OFA establishes, controls, and charges clients when serving as broker-dealer of record for transaction-based accounts held with National Financial Services LLC ("NFS"), please see OFA's Fee and Commission Schedule for Accounts with NFS (the "OFA Fee Schedule"), which is provided to you at account opening, will change over time, and can be found on OFA's website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Cost.**

**Before consenting to any broker-dealer relationship with OFA or an OFA financial professional, you should review the important disclosures referenced above, including those related to the services you will receive, the fees, costs, and expenses you will pay, the compensation OFA and its financial professionals will receive, and OFA's and its financial professionals' conflicts of interest. After reviewing these disclosures, please address any questions you may have with your OFA financial professional.**

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

A fee-based investment advisory program, sometimes called a “managed account,” can potentially be more appropriate for you than a transaction-based account, such as a brokerage account, if you want ongoing investment advice and management of your account. OFA offers a number of different investment advisory programs and services and acts as the sponsor and broker-dealer in connection with some of those programs and services.

With a fee-based investment advisory account, you will 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 and related services. This asset-based fee is OFA’s and your IAR’s 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 a security or other investment product in a fee-based investment advisory account; however, you will be charged for (1) any transaction, trading, and execution charges that are applicable to trades and other transactions (including, but not limited to, “step-out” trades) occurring within your account and (2) other fees, costs, and expenses applicable to your account, the brokerage and other services provided to you and your account, and the securities and other investment products purchased, held, and sold in your account, in each case as described in your account-opening documentation and in the prospectuses and other disclosure documents for the securities and other investment products you purchase, hold, and sell. Transaction, trading, and execution charges you pay are not used to compensate your IAR for their services in this type of account.

Certain investment advisory programs that OFA offers charge an “all-inclusive” bundled fee based on the value of the assets in your account. This bundled fee usually includes a portfolio management fee, transaction, trading, and execution costs, and investment advice and is sometimes referred to as a “wrap fee.” However, this bundled fee does 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 OFA advisory programs and services you use. OFA’s advisory program fees are billed either in arrears (*i.e.*, following the completion of the applicable billing period) or in advance (*i.e.*, at the beginning of the applicable billing period) depending on the program you select, and your billing methodology (*i.e.*, in arrears or in advance) will be specified in your client service agreement, Statement of Investment Selection or Statement of Insurance Selection, as applicable (“SIS”), or other account-opening documentation. Fees are charged either monthly or quarterly, as specified in your client service agreement, SIS, or other account-opening documentation, based on the assets held within your account for services including, but not limited to, 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, SIS, and other account-opening documentation for additional information. After reviewing these documents, please address any questions you may have with your IAR.

OFA’s advisory fees generally are negotiable. Some programs, like the Premier Plus Wealth Management Program, charge separately for asset management services, ongoing investment advice, and transaction costs. In such programs, you will be charged for any transaction, trading, and execution fees, costs, and expenses that are applicable to trades and other transactions occurring within your account, as described in your account-opening documentation, in addition to your asset-based advisory fees. Applicable transaction, trading, execution, and other fees, costs, and expenses are described in detail in the applicable program’s client service agreement; SIS; transaction, trading, execution, and brokerage service fee schedules; other account-opening documentation; and Form ADV, Part 2A.

When OFA and your OFA financial professional serve as investment adviser for your fee-based account, OFA and your OFA financial professional will be acting in their investment advisory capacities for such account and are required to act in your best interest, without placing their financial or other interests ahead of your interests. Additionally, when OFA and your OFA financial professional provide investment advice to you on a regular basis regarding your ERISA retirement plan account or IRA, OFA and your OFA financial professional are fiduciaries within the meaning of Title I of ERISA and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. You should be aware that OFA and your OFA financial professional are subject to various conflicts of interest in connection with the investment advice and other services they provide to you in connection with your fee-based accounts. These conflicts of interest result from various arrangements, including, but not limited to, the roles OFA and your OFA financial professional play in a transaction, OFA’s and your OFA financial professional’s compensation arrangements, and OFA’s financial and other arrangements with custodians, clearing firms, other service providers, its affiliates, third-party product and service providers, and others.

Important information regarding these conflicts of interest is provided in OFA's Form CRS and Forms ADV, Part 2A, as well in the other important client disclosures available on OFA's website, [www.lfa-sagemark.com](http://www.lfa-sagemark.com).

**For additional information on OFA's investment advisory programs and services, please see OFA'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). OFA's Form CRS and Forms ADV, Part 2A may also be requested by contacting OFA at (800) 237-3813 or [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com). For detailed information regarding the trading/execution fees and brokerage service charges that OFA establishes, controls, and charges clients when serving as broker-dealer of record for WealthLine and Premier Wealth Management Program ("Premier") accounts held with NFS, please see the OFA Fee Schedule, which is provided to you at account opening, will change over time, and can be found on OFA's website at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Cost.**

**Before consenting to any investment advisory relationship with OFA or an OFA financial professional, you should review the important disclosures referenced above, including those related to the services you will receive, the fees, costs, and expenses you will pay, the compensation OFA and its financial professionals will receive, and OFA's and its financial professionals' conflicts of interest. After reviewing these disclosures, please address any questions you may have with your OFA financial professional.**

## **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. Fees 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 agreement or the renewal of a prior agreement. All planning and consultation fees are based on the specific planning and consultation services to be 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 or identical services.

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

#### **Financial Planning Fees**

A flat fee is charged for financial planning services and is specified in the financial planning agreement. An initial payment of up to 100% of the total fee is generally billed to the client when the financial planning agreement is signed, and the balance of the fee, if any, is payable upon delivery of the financial plan. Alternatively, OFA permits financial planning fees to be paid over time in monthly, quarterly, semi-annual, or annual installments. Fees charged to financial planning clients typically range from \$1,500 to \$75,000, but financial planning fees are negotiated between each IAR and client and may be higher or lower depending upon, among other things, the complexity of the client's financial situation and needs. Because situations affecting the planning process may change, financial planning 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 agreement. 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. Consultation fees are determined and generally are billed when the client signs the agreement; however, OFA also permits consultation fees to be paid over time in monthly, quarterly, semi-annual, or annual installments. Fees charged for consultation services typically range from \$250 to \$500 an hour, but consultation fees are negotiated between each IAR and client and may be higher or lower depending upon, among other things, the complexity of the client's financial situation and needs.

## **Consulting Subscription Fees**

For subscription agreements, clients pay a flat fee for the full term of their subscription agreement. Consulting subscription fees are paid in advance in equal installments on either a monthly, quarterly, semi-annual, or annual basis as specified in the client's subscription agreement. In certain circumstances, IARs charge an initial one-time fee at the outset of the subscription agreement that is in addition to the flat subscription fee for the term. Consulting subscription fees are negotiated between each IAR and client and vary depending upon, among other things, the complexity of the client's financial situation and needs and the client's goals for their subscription.

## **Seminar Fees**

Seminar fees are charged either as a flat fee for a group of attendees or a flat amount per attendee. Fees are typically paid up front; however, OFA also permits seminar fees to be paid over time in monthly, quarterly, semi-annual, or annual installments. Seminar fees are negotiated between each IAR and client and vary depending upon, among other things, the nature of the content to be presented during the seminar, number of seminars, and number of expected seminar attendees.

## **TERMINATION OF SERVICES**

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

For financial planning services, if the client is dissatisfied with the focus or specificity of their financial plan, OFA 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 OFA's sole discretion, refund part or all of the financial planning fee the client has paid.

For point-in-time consultation services, if the client is dissatisfied with the focus or specificity of their consultation, OFA 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 OFA's sole discretion, refund part or all of the consultation fee the client has paid.

For consulting subscription services, if the client is dissatisfied with the services they receive as part of their subscription agreement, OFA may, in its sole discretion, refund all or a part of the fees the client has paid in connection with their subscription agreement.

## **COMPENSATION FOR THE SALE OF SECURITIES; MARKETING SUPPORT ARRANGEMENTS**

Financial planning, consulting, subscription, and seminar clients have the option to purchase securities and other investment products through other brokers or agents that are not affiliated with OFA. Commissions and other compensation for the sale of securities and other investment products, including, but not limited to, "no load" and other mutual funds, provide sources of compensation for OFA and many of the IARs. Should a client choose to implement any of the recommendations made in a financial plan or consultation through OFA, OFA will be acting in its capacity as broker-dealer, not as an investment adviser (unless otherwise agreed in writing), in executing transactions for the client's account. To the extent that clients decide to purchase securities or other investment products through OFA, OFA and its financial professionals will receive various forms of compensation and benefits as a result of such sales, including, where applicable, commissions, trading/execution fees, and 12b-1 fees and other payments from mutual funds and other investment products. This presents a conflict of interest as OFA and its financial professionals have a financial incentive to recommend products based on the compensation they and their affiliates receive, rather than on a client's needs. We address this conflict of interest by disclosing it to you and by requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

Depending on which products and services you purchase and use, you will receive various materials, including, but not limited to, product prospectuses, client service agreements, SISs, account and other applications, and other disclosure documents, that provide important information regarding the fees and expenses you will incur in connection with the

products and services you have chosen, the compensation and benefits OFA and your OFA financial professional will receive in connection with those products and services, and OFA's and your OFA financial professional's conflicts of interest in connection with those products and services. You should read and evaluate this information carefully and contact your OFA financial professional with any questions you may have before proceeding.

Financial planning, consulting, subscription, and seminar clients intending to implement the advice and recommendations they receive from OFA and its IARs should be aware of the fact that OFA has agreements with many mutual fund families, AI 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 OFA. These marketing support payments are a significant source of revenue to OFA and 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 OFA conferences where IARs are present, one-on-one marketing meetings, and due diligence presentations. In some cases, these payments also compensate OFA for administrative services it provides in connection with the sponsors' product offerings. The method, timing, rate, and amount of these marketing support payments vary by sponsor, program, product, share class, asset class, investment strategy, and service, but marketing support payments typically are paid using one or more of the following methodologies: payment of a percentage of each sale (or of the premium paid on annuities and insurance products); payment of a flat amount per sales transaction; payment of an annual fee based on a percentage of total OFA client assets held with the sponsor; and/or payment of a flat annual fee. Payment rates and amounts vary by sponsor, but, as of the date of this Brochure, sponsors generally pay OFA: up to 1.5% of the gross amount of each sale (or of the premium paid on annuities and insurance products); up to \$250 per sales transaction; up to 0.15% annually of total OFA client assets held with the sponsor; and/or flat annual fees that do not exceed \$1,700,000 annually. Accordingly, with respect to the arrangements where payments are based on a percentage of each sale (or of the premium paid on annuities and insurance products), a flat amount per sales transaction, or total client assets held with the sponsor, the payments OFA receives will increase with the amount of client assets placed with the sponsor.

In addition to the marketing support payments that OFA receives through the formal marketing support arrangements described above, sponsors, including, but not limited to, those that have formal marketing support arrangements with OFA, make flat dollar payments to OFA from time to time. These payments are not always made as part of a formalized agreement, but are for specific activities, including, but not limited to, exhibit booth space, presentation opportunities at OFA meetings or similar events, attendance at conferences, educational events for IARs, and participation in other training and educational events. Some sponsors also reimburse OFA 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 OFA 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 OFA receives from sponsors create financial incentives for OFA that result in conflicts of interest for OFA. In particular, OFA has a conflict of interest given its financial incentive to include the sponsors, programs, products, share classes, and services that make marketing support payments to OFA on OFA's platform and to recommend that you utilize sponsors, programs, products, share classes, and services that make such payments to OFA, rather than other available sponsors, programs, products, share classes, and services that do not make such payments to OFA. In addition, OFA has a financial incentive to include the sponsors, programs, products, share classes, and services that make the highest rate and amount of marketing support payments to OFA on OFA's platform and to recommend that you utilize those sponsors, programs, products, share classes, and services, rather than other available sponsors, programs, products, share classes, and services that make relatively lower or no marketing support payments to OFA. Additionally, certain sponsors make marketing support payments to OFA only in connection with certain programs, products, share classes, asset classes, investment strategies, and services (and not others that are available), and certain sponsors pay OFA more or less marketing support depending on the particular program, product, share class, asset class, investment strategy, or service used. Given these facts, OFA has a conflict of interest given its financial incentive to recommend that you use the programs, products, share classes, asset classes, investment strategies, and services that generate the highest rate and amount of marketing support payments to OFA, rather than other available programs, products, share classes, asset classes, investment strategies, and services that generate relatively lower or no marketing support payments to OFA. Further, OFA limits the third-party variable annuities and fixed indexed annuities that are available through OFA to those offered by third-party sponsors that make marketing support payments to OFA. As a result, OFA and IARs cannot recommend variable annuities or fixed

indexed annuities from third-party sponsors that do not make these payments to OFA and that could potentially cost you less overall and otherwise be in your best interest. This presents a conflict of interest for OFA and IARs given their financial incentive to recommend the variable annuities and fixed indexed annuities that are available through OFA's platform. OFA addresses these conflicts of interest by disclosing them to you, not sharing any marketing support payments with the IARs that recommend sponsors, programs, products, share classes, asset classes, investment strategies, or services for your account, and requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

You should be aware that there are sponsors, programs, products, share classes, asset classes, investment strategies, and services available through OFA that do not pay OFA any marketing support payments and therefore are generally less expensive for you to use than sponsors, programs, products, share classes, asset classes, investment strategies, and services that do make such payments to OFA.

For up-to-date information regarding OFA's marketing support arrangements, including a list of sponsors with which OFA has formal marketing support arrangements, a description of the revenue OFA receives, and OFA's related conflicts of interest, please see the marketing support disclosures available on OFA'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.

OFA, the IARs, and clients also receive the benefit of certain services provided by sponsors and custodians. These services include, but are not limited to, 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 will result in additional fees, costs, and expenses to OFA, the IARs, and clients, while others are packaged and available as part of an investment advisory program without itemization of the cost of each product or service. OFA's and IARs' receipt of these additional service benefits presents a conflict of interest given their incentive to recommend or select sponsors and custodians that provide them with the highest level of services at the lowest cost, rather than other available sponsors and custodians that provide a lower level of services or similar services at a higher cost. OFA addresses this conflict of interest by disclosing it to you and by requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

## **CUSTODIAN AND CLEARING FIRM RELATIONSHIPS**

Financial planning, consulting, subscription, and seminar clients intending to implement the advice and recommendations they receive from OFA and its IARs should be aware of the fact that OFA receives various revenue streams through its clearing relationship with NFS, including, but not limited to: compensation as a result of clients' use of OFA's Insured Bank Deposit Account (the "IBDA") or Insured Bank Retirement Advisory Account (the "IBRAA") as their cash sweep, as described in OFA's Bank Sweep Program Disclosure Document, which is available at [www.lfa-sagemark.com](http://www.lfa-sagemark.com) under My accounts—Disclosures; 12b-1 fees on certain Fidelity money market funds used by clients as cash sweep vehicles; 12b-1 fees on mutual funds, including, but not limited to, mutual funds purchased by clients through NFS's no transaction fee ("NTF") managed account program; revenue sharing payments from NFS based upon clients' cash sweep balances held in NFS's taxable interest bearing cash option, FCASH; interest payments from NFS based upon a portion of the aggregate short market value of clients' accounts; a portion of the interest rate clients pay on margin loans; a portion of the interest rate clients pay on cash debits in their accounts; interest on cash balances in client accounts that have not selected a cash sweep option; a portion of the interest rate clients pay on NFS securities-backed lines of credit ("SBLOCs"); all or a portion of the transaction, trading, execution, and brokerage service charges established, controlled, and charged by OFA and disclosed in the OFA Fee Schedule; annual business development credits, as described below; and net flows credits, as described below.

OFA's receipt of these and other revenue streams through its clearing relationship with NFS supports and defrays the costs OFA has related to the ongoing operational and administrative maintenance of client accounts and compensates OFA for the various services it provides in its role as broker-dealer of record and/or program sponsor for such client accounts. OFA's receipt of these revenue streams is a factor that OFA considers when selecting and maintaining its relationship with a custodian and clearing firm, such as NFS, for its programs and client accounts. This presents a conflict of interest for OFA given OFA's financial incentive to select and maintain its relationship with custodians and clearing firms like NFS through

which OFA will receive the highest rate and amount of revenue, rather than other available custodians and clearing firms through which OFA will receive relatively lower or no revenue.

Additionally, this presents a conflict of interest for OFA given OFA's financial incentive to recommend itself as your broker-dealer of record (rather than other available broker-dealers), which affords OFA the discretion to set the amounts and rates of many of the charges that result in OFA's receipt of these revenue streams in a manner that generates the highest possible revenue to OFA. For example, when OFA serves as your broker-dealer of record, OFA generally exercises its discretion to set its transaction, trading, execution, brokerage service, and other charges at amounts and rates, and using methodologies, that result in aggregate client charges that are higher than the related fees, costs, and expenses, if any, that OFA pays to NFS for clearance and execution of transactions and related services. For certain charges imposed by OFA (e.g., charges related to the transfer of clients' non-retirement account assets to another firm ("ACAT Exit Fees")), OFA pays no related fees, costs, or expenses to NFS and OFA retains the entire amount of the charges. These transaction, trading, execution, brokerage service, and other fees set by OFA are sometimes called "markups" given the difference between the increased costs clients incur and the related costs, if any, that OFA pays to NFS, and they vary by product, the type of service provided, the nature and amount of transactions involved (if applicable), the type of account, and other factors. Markups will result in your payment of higher fees, costs, and expenses than you would otherwise directly pay to NFS or other available service providers (e.g., on margin loans, cash debits, securities-backed loans ("SBLs"), and SBLOCs, and for applicable transaction, trading, execution, brokerage service, and other charges). Markups will also cause you to receive lower interest rates and other payments than you would otherwise directly receive from NFS or other available service providers if you were to enter into arrangements directly with NFS or other available service providers where OFA did not impose markups or receive payments from NFS (e.g., on FCASH balances, short positions, and cash balances in accounts not selecting a cash sweep vehicle). To the extent you intend to implement financial planning, consulting, subscription, or seminar recommendations or advice through OFA, you should consider the additional revenue that OFA receives as a result of these charges.

Further, this presents a conflict of interest for OFA given OFA's financial incentive to recommend that clients open and maintain accounts with NFS and take actions that generate these revenues for OFA, rather than other lower-cost actions that generate relatively lower or no revenue for OFA. In particular, OFA has a financial incentive to recommend that clients: open and invest through accounts that use the IBDA or the IBRAA, as applicable, as their default and only cash sweep option, rather than other available account types that use cash sweeps that pay OFA relatively lower or no revenue; where possible, use Fidelity money market funds that pay OFA 12b-1 fees as cash sweep vehicles, rather than other available cash sweep vehicles that pay OFA relatively lower or no revenue; purchase mutual funds, including mutual funds available through NFS's NTF managed account program, that pay OFA 12b-1 fees, rather than other available mutual funds that pay OFA relatively lower or no revenue; where possible, use NFS's taxable interest bearing cash option, FCASH, as a cash sweep option, rather than other available cash sweep vehicles that pay OFA relatively lower or no revenue; engage in short sale transactions and increase the aggregate short market value of their accounts; use margin loans and increase their outstanding margin loan balances; incur cash debits in their accounts; where possible, maintain cash balances in their accounts outside of a cash sweep option, rather than selecting available cash sweep vehicles that pay OFA relatively lower or no revenue; use NFS SBLOCs and increase their outstanding NFS SBLOC balances; and engage in transactions and actions that generate the transaction, trading, execution, and brokerage service charges disclosed in the OFA Fee Schedule, rather than other transactions and actions that generate relatively lower or no revenue to OFA.

We address these conflicts of interest by disclosing them to you, crediting clients' WealthLinc and Premier accounts for 12b-1 fees that we receive as broker-dealer of record from money market and other mutual funds held in clients' WealthLinc and Premier accounts, ensuring the revenue OFA receives from these sources is not shared with IARs providing investment advisory services to you, and by requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

OFA also has a conflict of interest given its financial incentive to select or recommend NFS as the custodian for client accounts, increase or maintain the amount of client assets held with NFS, and maintain its relationship with NFS given the compensation that OFA and its affiliate, Osaic FS, Inc. ("OFS"), receive through their custody and clearing arrangements with NFS, as well as the payments they would be required to make to NFS if their arrangements with NFS were terminated. For example, in addition to the various revenue streams described above, under the clearing agreement between OFA and NFS, OFA receives annual business development credits from NFS during the term of the clearing relationship. Additionally, OFA receives annual asset-based payments from NFS based upon net new client cash and securities

transferred into accounts at NFS from other accounts not custodied or introduced by NFS or its affiliates (“net flows credits”) and, if OFA’s clearing agreement with NFS is terminated by OFA or NFS for specified reasons, OFA is required to repay NFS for a portion of the net flows credits that OFA received prior to termination. Further, if OFA’s clearing agreement with NFS is terminated by OFA or NFS for specified reasons, OFA is required to make significant early termination fee payments to NFS. OFA’s receipt of business development credits, net flows credits, and the other revenue streams described herein, as well as OFA’s related repayment and termination fee obligations to NFS under the clearing agreement, present a conflict of interest for OFA given its financial incentive to: (i) select and maintain NFS as the custodian for client accounts, rather than other available custodians and clearing firms through which OFA receives relatively lower or no business development credits, net flows credits, and other compensation and (ii) recommend that clients transfer assets to, and increase their assets held with, NFS, rather than other available custodians that provide OFA relatively lower or no business development credits, net flows credits, and other compensation. We address these conflicts by disclosing them to you and by requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

The revenue streams that OFA receives under its clearing and custodial arrangement with NFS are designed, in part, to compensate OFA for the various services it provides and are a significant source of revenue for OFA. Under OFA’s arrangements with NFS and other custodians, OFA is responsible for providing the custodians with various services, including, but 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, compensation schedule, or “grid rate,” increases; quarterly payments from OFA based on a percentage of the aggregate platform and administrative fees, or “Sponsor Fees,” paid by their clients participating in OFA’s investment advisory programs (sometimes referred to as “AUM discounts”); and educational and other opportunities) for reaching certain levels of assets under management in OFA’s investment advisory programs. Similarly, some IARs receive additional compensation and benefits (including, but not limited to, stock options; funds or reimbursements for approved business expenses; participation in deferred compensation programs; complementary or discounted access to technology tools and platforms; dedicated business development, practice management, technology, and other support services; priority call center and other enhanced back-office services; and other rewards and recognitions) for generating a certain amount of total production (*i.e.*, total revenue from securities, investment advisory, and insurance and annuities business) or net paid annual premium on certain insurance and annuities business (“net paid annual premium”) within a certain time period, typically one year. While qualification for additional compensation and benefits is typically measured over the course of one year, IARs can qualify for certain additional compensation and benefits based on prior years of consistent qualification or by meeting certain year-over-year total production or net paid annual premium growth thresholds. Further, some IARs receive annual recognition trips for them and, in certain cases, their family members and/or other guests based on their total production or net paid annual premium ranking as compared to their peers at OFA. Clients are not charged any additional fees as a result of IARs’ receipt of these types of additional compensation and benefits from OFA. However, IARs’ receipt of additional compensation and benefits presents a conflict of interest for IARs that has the potential to affect IARs’ judgment and the recommendations and selections they make for you and your accounts. In particular, these forms of compensation and benefits give your IAR a financial incentive to recommend that you bring your assets from another firm to OFA, increase the amount of assets in your accounts with OFA, and purchase products and services through OFA or sponsored by OFA’s affiliates, so that they can achieve the assets under management, total production, and/or net paid annual premium thresholds required to receive additional compensation and benefits from OFA. We address this conflict of interest by disclosing it to you and by requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

IARs can recommend certain products that are created, managed, and/or sold by OFA’s affiliates (collectively, “proprietary products”), provided that the recommendations are suitable and in the client’s best interest given the client’s investment objectives, financial circumstances, and other characteristics. IARs, OFA, and OFA’s affiliates will profit when OFA clients



purchase or use proprietary products as a result of IARs' recommendations. This presents a conflict of interest as OFA and the IARs have a financial incentive to recommend products based on the compensation they and their affiliates receive, rather than on a client's needs. We address this conflict of interest by disclosing it to you and by requiring that there be a review of your account and transactions 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 proprietary products and qualify for additional compensation and benefits based on the volume of those sales over time. IARs also receive additional compensation and other benefits based on factors including sales volume of or total assets in certain proprietary products (including, but not limited to, specific investment advisory programs like WealthLinc and Premier), the length of time that clients keep assets in the products, and the profitability of the products. IARs also receive compensation based on the sales of proprietary products by other financial professionals. Some IARs participate in benefit programs whose costs are partially reimbursed by OFA's affiliates and/or which are based on sales volume of proprietary products. OFA-affiliated companies also benefit financially from the sale of proprietary products offered by IARs. These arrangements present conflicts of interest for OFA and IARs as they create financial incentives for OFA and IARs to recommend products for which they and their affiliates receive the highest rate and amount of compensation and other benefits, rather than other available products for which they and their affiliates receive relatively lower or no compensation and benefits. We address this conflict of interest by disclosing it to you and by requiring that there be a review of your account and transactions 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 will receive higher compensation for the sale of products offered by companies not affiliated with OFA. In these circumstances, IARs have a conflict of interest given their financial incentive to recommend these other products.

Certain IARs who move their practices to OFA receive significant loans from OFA to help facilitate their transition from a prior firm to OFA. These loans are based on a percentage of the revenue earned, compensation received, or assets serviced or managed by the IAR at their prior firm. OFA makes these loans to IARs at interest rates and on other terms that are more favorable than IARs would be able to obtain from other lenders. Depending on the arrangement between OFA and the IAR, the repayment of these loans is fully or partly forgiven or waived by OFA when the IAR reaches specified sales or revenue generation levels or when the IAR has been affiliated with OFA for a specified length of time. With respect to loans that are forgiven or waived by OFA based on sales or revenue generation, certain loans are forgiven or waived by OFA based on the IAR's total sales and revenue generation across all products and services offered through OFA, including both proprietary and non-proprietary products and services, while other loans are forgiven or waived by OFA based solely upon the IAR's accumulation of assets in OFA's WealthLinc and/or Premier investment advisory programs or sale of other proprietary products and services. In certain circumstances, loan forgiveness and waivers are also funded by additional compensation for sales and revenue generation. These forgivable loan arrangements create conflicts of interest for the IAR because they have an additional financial incentive to remain affiliated with OFA until their outstanding loan balance is forgiven or waived by OFA; encourage clients to engage OFA to provide services and, in particular, those services that result in the forgiveness or waiver of their outstanding loan balance, rather than other available services (*e.g.*, an IAR may recommend that a client select an OFA investment advisory account relationship over a broker-dealer account relationship in order for the IAR to earn additional loan forgiveness based on their accumulation of assets in OFA's WealthLinc and/or Premier investment advisory programs); encourage clients to purchase products and services through OFA and, in particular, those products and services that result in the forgiveness or waiver of their outstanding loan balance, rather than other available products and services; and otherwise achieve specified levels of sales or revenue generation that will result in the forgiveness or waiver of their outstanding loan balance, which has the potential to impact the account-type, product, and service recommendations and selections the IAR makes for you and your account. OFA's current production-based forgivable loan program is governed by controls and policies that are designed to help ensure that the loan amount provided to any IAR is not disproportionate to the IAR's applicable production and compensation amounts earned historically. Additionally, the amount that is forgiven in any one year of the term of the loan is capped, unless an exception is granted. This structure and approach are designed to avoid unduly influencing an IAR to generate disproportionate production or compensation in any given year in an attempt to have large outstanding loan balances forgiven. Please see your IAR's Form ADV, Part 2B for additional information regarding any forgivable loans they have outstanding with OFA.

The conflicts of interest arising from the IAR compensation arrangements described above are addressed by the fact that OFA and its affiliates have designed and implemented reasonable policies and procedures to help ensure that IARs make recommendations, including account-type recommendations, and provide advice that is suitable for and in the best interest

of their clients in compliance with applicable best interest requirements and fiduciary obligations. In particular, OFA addresses these conflicts by disclosing them to you and requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics. In addition, OFA 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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OFA and the IARs do not charge fees based on a share of capital gains on or capital appreciation of client assets.

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

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OFA 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.

OFA does not require a minimum account size for financial planning, consultation, subscription, or seminar services, nor does it require financial planning, consultation, subscription, or seminar clients to maintain either a brokerage or advisory account with OFA. However, consulting subscription clients are required to engage OFA for a minimum subscription term of six months.

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

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

OFA provides its financial planning, consulting, and subscription services using both fundamental and technical approaches to financial planning. The advisory services OFA provides generally will focus on one or more of the following areas: investment planning, risk management, retirement planning, estate planning strategies, education planning, business succession planning, executive compensation planning, entity planning, employee benefits planning, and nonqualified deferred compensation financial planning.

In the financial planning, consulting, and subscription processes, IARs assist clients in identifying their financial objectives using approved questionnaires and software or other methods. As part of this process, clients are responsible for providing OFA and their IAR with financial and other relevant information that is accurate and complete, and any failure to do so will affect the advice and recommendations the IAR prepares for a particular client. In certain cases, IARs will recommend asset allocation strategies made up of different categories of financial assets in order to address specific client-identified economic and other financial concerns. IARs have the latitude to determine how best to develop the advice and recommendations that they present to clients. As a result, the recommendations and advice provided to financial planning, consulting, and subscription clients by different IARs will often vary greatly.

### **CLIENT RESPONSIBILITIES**

The advice and recommendations that you receive from your IAR in connection with OFA's financial planning, consulting, and subscription services are based on the information you provide to OFA and your IAR. In the financial planning context, your IAR and OFA will only be responsible for updating and correcting the information you provided for your 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 previously provided 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. OFA makes no guarantees regarding the accuracy of the assumptions and calculations made in third-party financial planning software.

It is the client's responsibility to determine if, and how, the advice and recommendations they receive from their IAR in connection with OFA's financial planning, consulting, and subscription services should be implemented or otherwise followed. Clients should carefully consider all relevant factors in making these decisions, and clients are encouraged to consult with their outside professional advisors, including for tax, accounting, and legal advice, before implementation.

## **RISK OF LOSS**

OFA's financial planning, consulting, and subscription services include advice and recommendations that are based on, among other things, a client's stated financial situation and objectives, risk tolerance, age, current asset allocation, and value of assets. In certain cases, OFA's and its IARs' advice and recommendations are also based on historical financial data and assumptions about future financial trends (including, but not limited to, 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. OFA has no obligation to revise a client's financial plan or otherwise advise the client if any of OFA's assumptions change in the future. Further, there can be no assurance that any advice or recommendations provided by an IAR will be successful in achieving the client's investment goals and objectives.

OFA'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, consulting, and subscription processes, the IAR does not make recommendations regarding the purchase of specific securities, insurance products, or other investment products. If clients decide to implement their IARs' advice and recommendations through a brokerage or investment advisory account, clients should understand that all investments involve material 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 material risks involved with investing in securities and could lose all or a portion of the amount invested and held in their account. In addition, forecasts of future performance of financial markets may prove to be incorrect for various reasons. Clients should understand that while diversification can potentially help spread risk throughout an investment portfolio, diversification alone does not guarantee a profit or protect against a loss. Further, clients should understand that different asset classes have different risk and potential return profiles and will perform differently in different market conditions.

Investments made and the actions taken for any such brokerage or advisory account are subject to various material risks, including market, liquidity, currency, economic and political risks, among others, and will not necessarily be profitable. In addition, there are material risks associated with the securities and other investment products in which you can invest, including, but not limited to, mutual funds, exchange-traded funds ("ETFs"), interval funds, options, AIs, and annuities. Additionally, clients that utilize margin loans, SBLs, and SBLOCs are subject to additional material risks, including, but not limited to, the potential for greater losses given the fact that clients must repay their outstanding margin loan, SBL, and SBLOC balances regardless of the underlying value of the securities collateralizing their margin loan, SBL, or SBLOC. Before investing, clients should review the prospectus or other applicable offering documents of the particular securities and investment products they intend to purchase to ensure they understand the material risk factors applicable to those particular securities and investment products and their investments therein. Similarly, clients should carefully review the disclosure documents and client agreements applicable to margin accounts, SBLs, and SBLOCs they intend to use to ensure that they understand the additional, material risk factors applicable to the use of such products. Investing in securities involves risk of loss that clients should be prepared to bear. Clients should understand that all investments involve material 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 material risks involved with investing in securities and could lose all or a portion of the amount invested and held in their account. The performance of accounts managed by different IARs will often vary greatly. Past performance is not a guarantee of future results.

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

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OFA is a registered broker-dealer and investment adviser. This section contains information about certain legal and disciplinary events that OFA believes are material to a client's evaluation of its advisory business or the integrity of its management. OFA and certain of its financial professionals have also been subject to other legal and disciplinary events relating to their brokerage and investment advisory businesses that OFA does not view as material to a client's evaluation of OFA's advisory business or the integrity of its management. Additional information regarding OFA's and its financial professionals' legal and disciplinary histories can be found in Part 1 of OFA'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/>.

On February 9, 2024, OFA entered into a settlement with the SEC in connection with the SEC staff’s risk-based initiative to investigate whether registered firms are properly maintaining business-related communications sent or received by their personnel on personal devices (“off-channel communications”). In the settlement, OFA acknowledged that it violated Section 17(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Rule 17a-4(b)(4) thereunder and Section 204 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and Rule 204-2(a)(7) thereunder by failing to maintain records of certain off-channel communications, including text messages, sent and received by OFA personnel and by failing to reasonably supervise OFA personnel’s business-related communications from at least January 2019 through the date of the settlement. As part of the settlement, OFA was censured, ordered to cease and desist from committing or causing future violations of Section 17(a) of the Exchange Act and Rule 17a-4 thereunder and Section 204 of the Advisers Act and Rule 204-2 thereunder, and ordered to pay a civil money penalty in the amount of \$8.5 million on a joint and several basis with its affiliate, OFS. Additionally, OFA was ordered to comply with certain undertakings, including an undertaking to engage an independent compliance consultant to conduct a review of OFA’s policies and procedures, training, surveillance program, technology solutions, and similar matters related to off-channel communications. OFA cooperated with the SEC staff’s investigation and has taken steps to strengthen its compliance environment as it relates to off-channel communications.

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

In addition to OFA’s registration as an investment adviser, OFA is also registered as a broker-dealer and sells stocks, bonds, ETFs, mutual funds, AIs, annuities, insurance products, options, and other securities, investment products, and services. IARs are also generally registered representatives of OFA. Some of OFA’s executive officers are also registered representatives of OFA. The proportion of time spent on each of these activities cannot be readily determined.

OFA has the following affiliates, which are directly or indirectly wholly owned subsidiaries of Osaic Holdings, Inc.

Securities America, Inc. Broker/Dealer	100% owned by Securities America Financial Corporation (“SAFC”) (Holding Company), which is 100% owned by Osaic Holdings, Inc.
Arbor Point Advisors, LLC Registered Investment Adviser	100% owned by SAFC
Securities America Advisors, Inc. Registered Investment Adviser	100% owned by SAFC
Ladenburg Thalmann Asset Management Inc. Registered Investment Adviser	100% owned by Osaic Holdings, Inc.
Ladenburg Thalmann & Co., Inc. Broker/Dealer	100% owned by Osaic Holdings, Inc.
Premier Trust, Inc. Trust Company	100% owned by Osaic Holdings, Inc.
Triad Advisors, LLC Registered Investment Adviser, Broker/Dealer	100% owned by Osaic Holdings, Inc.
Osaic Advisory Services, LLC Registered Investment Adviser	100% Owned by Osaic Holdings, Inc.
Highland Capital Brokerage, Inc. Insurance Company	100% owned by HCHC Acquisition, Inc., which is 100% owned by Osaic Holdings, Inc.

Osaic FS, Inc. Registered Investment Adviser, Broker/Dealer, Insurance Agency	100% owned by Osaic Holdings, Inc.
OFA, Limited Liability Company Insurance Agency	100% owned by Osaic Holdings, Inc.
California Fringe Benefit and Insurance Marketing Corporation Insurance Agency	100% owned by Osaic Holdings, Inc.

OFA also has Related Persons who are under common control of Osaic Holdings, Inc. “Related Persons” are defined as entities that OFA controls, that control OFA, or that are under common control with OFA. The following chart details the Related Persons, which are wholly owned subsidiaries of Osaic, Inc. (Holding Company), Osaic Institutions Holdings, Inc. (“OIHI”) (Holding Company), or American Portfolios Holdings, Inc. (“APHI”) (Holding Company) which are wholly owned subsidiaries of Osaic Holdings, Inc.

Osaic Services, Inc. Broker/Dealer	100% owned by Osaic, Inc.
Osaic Wealth, Inc. Registered Investment Adviser, Broker/Dealer	100% owned by Osaic, Inc.
Vision2020 Wealth Management Corp. Registered Investment Adviser	100% owned by Osaic, Inc.
Osaic Institutions, Inc. Registered Investment Adviser, Broker/Dealer	100% owned by OIHI
American Portfolios Advisors, Inc. Registered Investment Adviser	100% owned by APHI
American Portfolios Financial Services, Inc. Broker/Dealer	100% owned by APHI

The following chart details the Related Persons, which are not wholly owned subsidiaries of Osaic Holdings, Inc., Osaic, Inc., OIHI or APHI. These Related Persons, however, are under common control of Osaic Holdings, Inc.

Black Diamond Financial, LLC Registered Investment Adviser	100% owned by Black Diamond Financial Holdings, LLC
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OFA and IARs have various conflicts of interest and financial incentives that are created as a result of compensation, benefit, and other arrangements between IARs, OFA, and OFA’s affiliates. These conflicts of interest and the steps OFA takes to address them are described above in Item 5, Fees and Compensation.

OFA and its IARs periodically recommend or select other investment advisers for clients and OFA and its IARs receive compensation as a result of those recommendations and selections. For example, OFA and its IARs have the ability to recommend that clients participate in TAMPs offered by third-party asset management firms and will receive a portion of the advisory fees paid by clients participating in those programs. Additionally, OFA and its IARs have the ability to

recommend that clients utilize the services of Envestnet Portfolio Solutions, Inc., third-party money managers, and Strategists in connection with the WealthLinc Alliance Program and the Premier Series Wealth Management Program and will receive advisory fees as a result of clients' participation in those programs. Further, OFA receives marketing support payments and other benefits from certain TAMP sponsors, Strategists, and other sponsors that OFA and its IARs have the ability to recommend or select for client accounts. This creates a conflict of interest for OFA and the IARs given their financial incentive to recommend or select other investment advisers that cause them to receive the highest rate and amount of compensation, rather than other available investment advisers that cause them to receive relatively lower or no compensation. These conflicts of interest and the steps OFA takes to address them are described above in Item 5, Fees and Compensation. For additional information on OFA's and its IARs' conflicts of interest in connection with TAMPs, the WealthLinc Alliance Program, and the Premier Series Wealth Management Program, and how OFA addresses them, please see OFA's Forms ADV, Part 2A for those programs, which are 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).

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

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### **CODE OF ETHICS**

OFA has adopted an Investment Adviser Code of Ethics (the "Code") and all IARs and "access persons" (as defined under the Advisers Act) are required to understand and follow its provisions. Through the Code, OFA strives to ensure high standards of professional excellence and ethical conduct among its associates. OFA 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 contact us at (800) 237-3813 or [LFNAdvisoryServices@lfg.com](mailto:LFNAdvisoryServices@lfg.com).

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

A principal transaction is generally defined as a transaction where an investment adviser, acting as principal for its own account, buys securities from or sells securities to an advisory client. An agency cross transaction is generally defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlling, controlled by, or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. A cross transaction is generally defined as a transaction where an investment adviser effects a transaction between two or more of its advisory clients' accounts. OFA does not engage in principal transactions, agency cross transactions, or cross transactions for advisory client accounts.

OFA and IARs can recommend proprietary products that are created, managed, and/or sold by OFA's affiliates. For a description of the conflicts of interest to which OFA and its IARs are subject in connection with the recommendation of proprietary products, and how OFA addresses them, please see Item 5, Fees and Compensation, above.

### **PERSONAL SECURITIES TRADING**

OFA, the IARs, and other OFA associated persons have the ability to buy and sell securities identical to those recommended to clients for their personal accounts. Moreover, the IARs can purchase and sell securities and take other actions for their own accounts, and can recommend the purchase and sale of securities and other actions for others' accounts, that differ from the advice given or actions taken in providing advisory services to you. In addition, any OFA 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 a financial incentive to put their own interests ahead of clients' interests. OFA procedures require that client orders be placed ahead of orders for OFA accounts or accounts of IARs. Personal securities transactions by IARs are recorded and monitored by OFA. OFA procedures also prohibit OFA 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. OFA policies require that best execution be sought for all client orders in which OFA or the IARs are responsible for order entry. Where a conflict of interest exists, this is disclosed to the client in their client service agreement, SIS, or other applicable disclosures they receive in connection with their account or transaction.

IARs may provide advice and recommendations to financial planning, consulting, and subscription clients regarding investment services and product categories that are offered by OFA or its affiliates. IARs will make clients aware that OFA or its affiliates offer products or services that could be used by the client to implement their recommendations and advice; however, the decision of whether to implement the advice and recommendations provided by OFA and its IARs during the financial planning, consulting, or subscription processes, and through which financial firms to implement, is solely that of the client. IARs will not base the advice and recommendations they make to financial planning, consulting, or subscription clients on the products or services offered through OFA or its affiliates, but instead will base their advice and recommendations on the investment objectives and financial condition of the particular client. Nonetheless, IARs have a conflict of interest given their financial incentive to recommend products and services that are offered by OFA and its affiliates. OFA addresses this conflict of interest by disclosing it to you and requiring that there be a review of your account and transactions to determine whether they are suitable and in your best interest in light of your investment objectives, financial circumstances, and other characteristics.

## **Item 12: Brokerage Practices**

As described above, OFA's financial planning services are completed upon the delivery of a recommended financial plan to the client; OFA's point-in-time consulting services are completed upon the completion of a single consultation with the client, and any related follow up; and OFA's consulting subscription services are completed upon the expiration of the term of the client's subscription agreement.

Clients are neither required to implement any of the advice or recommendations they receive from their IAR in connection with OFA's financial planning, consulting, or subscription services, nor required to transact business through OFA should they decide to implement all or any portion of their IAR's advice and recommendations. IARs generally make clients aware that brokerage and investment advisory services are offered by OFA or its affiliates, through which a client can implement the advice and recommendations they receive as part of OFA's financial planning, consulting, or subscription services. However, the decision as to whether to implement their IAR's advice and recommendations, and which financial firm to use for implementation, is solely that of the client. If a client chooses to implement any or all of their IAR's advice and recommendations through OFA, OFA will be acting solely as a broker-dealer, not as an investment adviser in implementing such advice and recommendations (unless otherwise agreed in writing).

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

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

In the financial planning, consulting, subscription, and seminar processes, the investment advisory services that IARs provide to clients are generally reviewed by the Director of Planning or their designee.

In the financial planning context, after the completion of a client's initial financial planning agreement, the client may request, or their IAR may recommend, that the client's financial planning agreement be renewed to update the client's 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**

For a description of economic benefits received by OFA and IARs from entities who are not clients, OFA's and IARs' conflicts of interest as a result of their receipt of those economic benefits, and how OFA addresses those conflicts of interest, please see Item 5, Fees and Compensation, above.

## **CLIENT REFERRAL AND SOLICITATION RELATIONSHIPS**

Clients are obtained primarily through the efforts of IARs. However, various third parties, including, but not limited to, attorneys, accountants, insurance professionals, registered investment advisers, broker-dealers, and lead-generation firms, refer clients to, and solicit clients on behalf of, OFA and IARs. OFA and IARs pay referral fees to certain of these third

parties as compensation for their client referral and solicitation services. The referral fees that OFA and IARs pay to these third parties are typically contingent on referred clients entering into an investment advisory relationship with OFA, and are typically a stated percentage of the financial planning, consulting, seminar, or ongoing advisory fees that the referred client pays to OFA. Advisory fees paid by referred clients are agreed to by the referred client and are fully disclosed in their client service agreement, SIS, and other account-opening documents and disclosures, regardless of any referral fees OFA or IARs pay to the third party. In certain circumstances, OFA and IARs pay for referral and solicitation services through alternative fee arrangements, including through flat fees per client referral, monthly fees for participation in referral programs, or other fee structures that are not contingent on referred clients entering into an investment advisory relationship with OFA.

Third parties that have compensated client referral or solicitation arrangements with OFA and its IARs have a conflict of interest given their financial incentive to refer you to OFA and its IARs and to recommend that you engage OFA and its IARs for services, rather than other available service providers that pay these third parties relatively lower or no compensation for their client referrals and solicitations. OFA requires third parties that have compensated advisory client referral or solicitation arrangements with OFA or its IARs to provide clients with important compensation, conflict of interest, and other disclosures to ensure that clients are apprised of the nature of their arrangements with OFA or its IARs. Clients should review these disclosures in detail and address any questions they may have with the IAR to whom they are referred before engaging OFA or the IAR to provide any investment advisory or other services.

## **OTHER COMPENSATION**

OFA and IARs receive various economic benefits from third parties, including those detailed in Item 5, Fees and Compensation, above.

If a client needs certain types of products or services that are not offered by or through OFA, OFA and IARs may refer the client to various third parties that offer the necessary products or services. Examples of these products and services include, but are not limited to, business valuation services, foundation formation services, tax services, trustee services, certain wealth management services, lending services, and certain insurance products and services. OFA and IARs receive referral fees from certain of these third parties to whom clients are referred. This presents a conflict of interest for OFA and its IARs given their financial incentive to refer clients to third-party product and service providers that pay OFA and IARs the highest rate and amount of referral fees and other compensation, rather than other available third-party product and service providers that pay OFA and IARs relatively lower or no referral fees or other compensation. OFA addresses these conflicts of interest by disclosing them to you and by ensuring that you retain ultimate decision-making authority regarding which, if any, third-party product and service providers you engage.

### **Item 15: Custody**

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OFA does not have custody of client funds or securities in connection with its financial planning, consulting, subscription, or seminar services.

### **Item 16: Investment Discretion**

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OFA does not accept discretionary authority in connection with its financial planning, consulting, subscription, or seminar services.

### **Item 17: Voting Client Securities**

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OFA does not accept authority to vote client securities or proxies in connection with its financial planning, consulting, subscription, or seminar services.



## **Item 18: Financial Information**

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OFA's consolidated statement of financial condition for its most recent fiscal year is included with this Brochure.

OFA does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.

Securities and investment advisory services are offered through Osaic FA, Inc., broker-dealer, registered investment adviser, and member of FINRA and SIPC. Additionally, investment advisory services may be offered through Sagemark Consulting, a marketing name for Osaic FA, Inc.. Osaic FA, Inc. is separately owned and other entities and/or marketing names, products, or services referenced here are independent.

**Lincoln Financial Advisors Corporation**  
**Consolidated Statement of Financial Condition**

(in thousands, except share data)

	<b>As of</b>
	<b>December 31,</b>
	<b>2023</b>
<b>ASSETS</b>	
Cash and invested cash	\$ 52,077
Commissions and fees receivable due from third parties	34,088
Commissions and fees receivable due from affiliates	5,488
Notes receivable	30,843
Net deferred tax asset	7,440
Prepaid expenses	5,617
Due from affiliates	8,163
Cash invested with affiliate	6,221
Other assets	8,206
Total assets	<u>\$ 158,143</u>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>	
<b>Liabilities</b>	
Accrued commissions	29,596
Accrued compensation and benefits	6,433
Deferred revenue	6,669
Payable to vendors	1,380
Due to affiliates	14,211
Other liabilities	12,211
Total liabilities	<u>70,500</u>
<b>Stockholder's Equity</b>	
Common stock – \$100 par value: 5,000 shares authorized, issued and outstanding	500
Additional paid-in capital	39,986
Retained earnings	47,157
Total stockholder's equity	<u>87,643</u>
Total liabilities and stockholder's equity	<u>\$ 158,143</u>



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## What Do Osaic FA, Inc. (“Osaic FA”) and Osaic FS, Inc. (“Osaic FS”) Do with Your Personal Information?

Osaic FA and Osaic FS 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. This Privacy Practices Notice (Notice) describes our current privacy practices. While your relationship with us continues, we will update and send you a copy of this Notice when required by law. Even after your relationship with us ends, we will continue to protect your personal information. You do not need to take any action because of this Notice, but you do have certain rights as described below.

We are committed to the responsible use of your information and protecting your individual privacy rights. As such, we look to leading data protection standards to guide our privacy program. These standards include collecting data through fair and lawful means, such as obtaining your consent when appropriate.

We and other financial companies choose how we share your personal information. Federal and state law gives you the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this Notice carefully to understand how we collect, use, share, and protect your personal information.

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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 securities, insurance products, and other investment products; financial planning, asset management, and other investment advisory services; and related services to you;
- to process and pay your claims;
- to analyze the information in order to evaluate and enhance our products and services;
- to gain customer insights;
- to provide education and training to our workforce and customers;
- to inform you of products and services that you may find useful; and
- as otherwise permitted by law.

The types of personal information we collect depends on your relationship with us and the products and services you request and may include the following:

- **Information from you:** When you submit your applications and other forms, you give us information such as your name; address; Social Security Number; your financial, health, and employment history; and, if applicable, financial and other information about your business. We may also collect voice recordings and 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; your payment details; 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 and/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 to enroll you in the plan.

When you are no longer our customer, we continue to share and use your information as described in this Notice.

## How We Share Your Personal Information

We may share your personal information within our family of companies and with certain service providers. They may use your information to assist us in:

- processing transactions you, your employer, or your group or other authorized representative have requested;
- providing customer service;
- offering and providing securities, insurance products, and other investment products; financial planning, asset management, and other investment advisory services; and related services to you;
- analyzing the information in order to evaluate and enhance our products and services;
- gaining customer insights;
- providing education and training to our workforce and customers; and
- informing you of products and services that you may find useful.

Our service providers may or may not be affiliated with us. Affiliates are companies related to us by common ownership or control. Nonaffiliates are companies not related to us by common ownership or control. Our service providers include:

- Financial service providers, including third-party administrators; broker-dealers; investment advisers; insurance agents and brokers; financial professionals; reinsurers; and other financial services companies with which we have joint marketing or other arrangements; and
- Non-financial companies and individuals, including consultants; vendors; and companies that perform marketing and other services on our behalf.

Information we obtain from reports prepared by service providers may be kept by the service providers 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. We may execute agreements with our service providers that permit the service providers to process your personal information outside of the United States, when not prohibited by our contracts or applicable law.

When you apply for one of our products or services:

- We may share information about your application with credit bureaus;
- We may provide your information to group policy owners or their designees (for example, to your employer for employer-sponsored plans and their authorized service providers);
- We may provide your information to regulatory authorities, law enforcement officials, and to other nonaffiliated and affiliated parties as permitted by law; and
- In the event of a sale of all or part of our businesses, we may share customer information with the acquiror as part of the sale.
- **We do not sell or release your information to outside marketers who may want to offer you their own products and services unless we receive your express consent; nor do we release information we receive about you from a consumer reporting agency.**

We and other financial companies need to share customers' personal information to run our everyday business. In the section below, we list the reasons we can share your personal information; whether we choose to share your personal information; and whether you can limit this sharing.

Reasons we can share your personal information	Does Osaic FA and Osaic share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	Yes	Yes
<b>For our nonaffiliates to market to you</b>	Yes	Yes

**Federal law gives you the right to limit only:**

- sharing for our affiliates' everyday business purposes—information about your creditworthiness;
- sharing for our affiliates to market to you; and
- sharing for nonaffiliates to market to you.

State laws and individual companies may give you additional rights to limit sharing of your information. California residents can review our California Privacy Notice located at <https://www.lincolnfinancial.com/public/general/privacy/californiaprivacynotice>.

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## How We Secure Your Personal Information

We have an important responsibility to keep your information safe. We use safeguards to protect your information from unauthorized use, access, and disclosure. To protect your personal information from unauthorized use, access, and disclosure, we use security measures that comply with federal and state law. These measures include, but are not limited to, computer safeguards and secured files and buildings. Our employees are authorized to access your information only when they need it to perform their job responsibilities. Employees who have access to your personal information are required to keep it confidential. Employees are also required to complete privacy training annually.

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## Your Rights Regarding Your Personal Information

This Notice describes how you can exercise your rights regarding your personal information. We comply with all applicable laws and regulations governing the clients' rights with respect to their personal information. We will administer the rights described in this Notice in accordance with your state's specific laws and regulations.

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 exercise 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 your inquiry to: Lincoln Financial Group, Attn: Corporate Privacy Office, 1301 S. Harrison 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 unrelated to this Privacy Notice please call 1-877-ASK-LINC.

**Access to Your Personal Information:** You may submit a written request to receive a copy of your personal information. You may review your personal information in person, or you may ask us to send you a copy of your personal information by mail or electronically, whichever you prefer. We will need to verify your identity before we can process your request. Within 30 business days of receiving your request, we will, depending on the specific request you make, (1) inform you of the nature and substance of the recorded personal information we have about you; (2) permit you to obtain a copy of your personal information; and (3) provide the identity (if recorded) of the persons to whom we have disclosed your personal information within two years prior to the request (If this information is not recorded, we will provide you with the names of those insurance institutions, agents, insurance support organizations, and other persons to whom such information is normally disclosed). If you request a copy of your information by mail, we may charge you a fee for copying and mailing costs.

**Changes to Your Personal Information:** If you believe that your personal information is inaccurate or incomplete, you may ask us to correct, amend, or delete the information. Your request must be made in writing and must include the reason you are requesting the change. We will respond within 30 business days from the date we receive your request.

If we make changes to your personal information as a result of your request, we will notify you in writing and will send the updated information, at your request, to any person who may have received your personal information within the past two years. We will also send the updated information to any insurance support organization that gave us the information and any insurance support organization that systematically received personal information from us within the prior seven years, unless that insurance support organization no longer maintains your personal information.

If we deny your request to correct, amend, or delete your information, we will provide you with the reasons for the denial. You may write to us and concisely describe what you believe our records should say and why you disagree with our denial of your request to correct, amend, or delete your information. We will file this communication from you with the disputed information, identify the disputed information if it is disclosed, and provide notice of the disagreement to the recipients and in the manner described in the paragraph above.

**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.

**When Your Financial Professional Leaves Osaic FA or Osaic FS:** We understand that the relationship you have with your financial professional is important to you. If your financial professional's affiliation with Osaic FA or Osaic FS ends and

they choose to move to a different financial institution, or if your financial professional's relationship with Osaic FA or Osaic FS is terminated, your financial professional may be allowed to take with them copies of all client and account documentation (including, but not limited to, account applications; account statements; and other pertinent forms and information related to you and your accounts), so your financial professional is able to continue their relationship with you and service you through their new firm. Osaic FA or Osaic FS will also retain copies of your client and account documentation. You do not need to take any action if you choose to allow your Osaic FA or Osaic FS financial professional to keep copies of your confidential information should they leave Osaic FA or Osaic FS.

If you do not want your financial professional to keep copies of your confidential information should their affiliation with Osaic FA or Osaic FS end, you have the right to opt out\*. If your account with us is a joint account, we will treat an opt-out request by any joint account owner as applying to all joint 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, please 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.

\*Osaic FA and Osaic FS adhere to all applicable state and federal privacy regulations. Residents of Arizona, California, Connecticut, Georgia, Maine, Massachusetts, Minnesota, Montana, Nevada, New Jersey, New Mexico, 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 Osaic FA or Osaic FS.

The information in this Notice applies to the following companies:

Osaic FA, Inc.,

Osaic FS, Inc., and

OFA, Limited Liability Company.

Securities and investment advisory services are offered through the firms: Osaic FS, Inc. and Osaic FA, Inc., broker-dealers, registered investment advisers, and members of FINRA and SIPC. Osaic FS, Inc. and Osaic FA, Inc., are separately owned and other entities and/or marketing names, products, or services referenced here are independent.

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