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Insured Cash Account Disclosure Booklet

Banking & Lending Solutions

LPL Financial

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BASICS OF THE ICA PROGRAM

Welcome to the LPL Financial ("LPL") Insured Cash Account ("ICA") program.

Under the ICA program, LPL, as agent for your eligible account (see "What Accounts are Eligible?") for this purpose, will automatically transfer (or "sweep") uninvested cash balances held in your eligible accounts—including proceeds of securities transactions, dividend and interest payments, cash deposits, and other monies pending investment—into interest-bearing deposit accounts at certain participating banks ("Deposit Accounts") eligible for deposit insurance by the Federal Deposit Insurance Corporation ("FDIC") up to the applicable limits.

The Deposit Accounts will be held at one or more banks or other depository institutions ("Banks") identified on the Available Bank Lists ("ABL") maintained by LPL that is assigned to your account (e.g., applicable to your ICA-eligible account type: retail, business, or qualified). Available cash balances in your eligible accounts will be swept to Banks appearing on the ABL (see "What is the ICA Program Available Bank Lists (ABL) and to Which Banks will my Cash be Allocated?").

The ABL is available by visiting the LPL Financial Automatic Cash Sweep Programs page at https://www.lpl.com/disclosures/lpl-financial-fdic-insured-bank-deposit-sweep-programs.html and following the links for "Available Bank List (Retail Accounts)", "Available Bank List (Business Accounts)", and "Available Bank List (Qualified Accounts)," as the case may be, or by asking your financial professional for this information. The availability of Deposit Accounts is subject to deposit capacity of the participating Banks (see "What happens when there is insufficient Bank deposit capacity?").

Each Deposit Account constitutes a direct obligation of the relevant Bank and is not a direct or indirect obligation of LPL. You may obtain publicly available financial information concerning each Bank at www.ffiec.gov/nicpubweb/nicweb/nichome.aspx or by contacting the FDIC Public Information Center (i) by mail at 3501 North Fairfax Drive, Room E-1005, Arlington, VA 22226; (ii) by email at publicinfo@fdic.gov; or (iii) by phone at (877) 275-3342. LPL does not guarantee in any way the financial condition of the Banks or the accuracy of any publicly available financial information concerning such Banks. LPL is not responsible for any insured or uninsured portion of a Deposit Account at a Bank or a Bank's capacity to receive additional deposits. For additional details, please see the Appendix under the heading *"Account Opening and Management: Operational Details."*

The key questions detailed in the remainder of this document are:

- What accounts are eligible?
- What is deposit insurance?
- What are anticipated interest rates, fees and related conflicts of interest?
- What is the ICA Program Available Bank List (ABL) and to which Banks will my cash be allocated?
- What happens when there is insufficient Bank deposit capacity?
- What are the available alternatives?
- Where to find more information on the ICA program today and in the future

WHAT ACCOUNTS ARE ELIGIBLE?

The ICA program is available for accounts of an eligible type that are held by "eligible persons," including individuals, trusts, sole proprietorships, and entities organized or operated to make a profit, such as corporations, partnerships, associations, business trusts, and other organizations. In the future, LPL may, at its sole discretion, make additional account types eligible for the ICA program or may choose to treat an otherwise eligible person as ineligible if LPL becomes aware that the person is prohibited as a matter of law from holding balances at any Bank.

Accounts are eligible for the ICA program if each owner is an eligible person. Certain advisory retirement accounts are not eligible for the ICA program.[1]

1 Such accounts may be eligible for LPL's Deposit Cash Account Program. Please ask your financial professional for more information.

Account types eligible for the ICA program include the following account types custodied at LPL Financial:

- Strategic Asset Management (except retirement accounts)
- Strategic Asset Management – Equitable Advisors (retirement and non-retirement)
- Strategic Wealth Management
- Manager Select (except retirement accounts)
- Manager Access Select (except retirement accounts)
- Manager Access Network
- Optimum Market Portfolios—Advisory (except retirement accounts)
- Optimum Market Portfolios—Brokerage
- Model Wealth Portfolios (except retirement accounts)
- Personal Wealth Portfolios (except retirement accounts), and
- Brokerage (including accounts custodied at LPL for other firms or broker-dealers)

WHAT IS DEPOSIT INSURANCE?

Cash balances swept to Banks through the ICA program are eligible for deposit insurance from the FDIC, an independent agency of the U.S. government, up to $250,000 per depositor for each FDIC-defined manner of ownership and capacity ("Ownership Category") with an individual

Bank. The Ownership Category depends on LPL records as to the ownership of your LPL account. Cash balances swept from an LPL account into one or more Deposit Accounts in the name of LPL as agent for the exclusive benefit of its customers benefit from FDIC insurance to the same extent as if deposited in the name of the account holders.

In the event that a Bank fails and it is necessary to make a claim for federal deposit insurance, covered payments of principal, plus unpaid and accrued interest, will be made to you based on records provided to the FDIC by LPL. There is no specific time period during which the FDIC must make insurance payments available. LPL is under no obligation to credit your account with funds in advance of payments received from the FDIC. Furthermore, you may be required to provide certain documentation to the FDIC and LPL before insurance payments are made.

MONITORING DEPOSIT INSURANCE COVERAGE

Any deposits (including certificates of deposit) that you maintain (i) directly with a Bank or (ii) through an intermediary (such as LPL or another broker-dealer, or financial services firm) in a particular FDIC-defined Ownership Category will be aggregated with your Deposit Accounts held at the same Bank and in the same Ownership Category for purposes of calculating the applicable maximum amount of FDIC deposit insurance available (generally, $250,000 for individual depositors).

It is important that you monitor your assets and cash deposits at all Banks. Please notify your financial professional of deposits that you may hold with any Bank (outside of ICA) on your applicable ABL, so that your financial professional may ensure that LPL does not sweep ICA program cash into that Bank on your behalf. See the discussion of opting out of one or more Banks on the ABL below for more information. You may confirm your Deposit Account Bank balances by reviewing your account statement, logging into AccountView at any time, or by contacting your financial professional. See the *"What is the ICA Program Available Bank List (ABL) and to Which Banks will My Cash be Allocated?"* for more details.

There are limits on both the aggregate amount of cash that Banks will accept, as well as the maximum amount of FDIC deposit insurance for each deposit and Ownership Category.

LPL limits your total ICA program cash deposit at any participating Bank to allow for the monthly interest to be applied to your cash balance at that Bank with a view to not exceed the applicable maximum amount of FDIC deposit insurance.

Should your Deposit Account reach the applicable maximum at a particular Bank, LPL will, subject to the aggregate limits of available Bank capacity, continue to sweep your cash to other participating Banks on your applicable ABL in a manner intended to maximize the aggregate amount of deposit insurance for each Deposit Account (except for Excess Banks, as described below). Additional cash held through the ICA program that is above the ICA program's maximum insurance coverage for you will not be eligible for FDIC deposit insurance. The maximum FDIC insurance offered through the ICA program is $2,500,000 per individual ($5,000,000 for joint accounts), which assumes that you hold no FDIC-insured deposits at the Banks on your applicable ABL other than through the ICA program

and that all Banks on the ABL have capacity to accept additional deposits.

Note that cash held in credit balances with LPL or invested in a money market mutual fund or other securities in your eligible account, if any, as discussed more fully below, is not eligible for FDIC deposit insurance but is eligible for protection by the Securities Investor Protection Corporation ("SIPC") (see below). Deposit Accounts held through the ICA program are not eligible for SIPC insurance.

After you reach the ICA program's maximum insurance coverage for you—which may depend, among other things, on deposit capacity of the Banks on the ABL and on your decision to opt out of any such Banks— any additional cash will be deposited into one or more excess banks ("Excess Banks"), subject to available capacity at the Excess Banks. If the Excess Banks do not have capacity for such cash, then any additional cash will be deposited to another Bank on your applicable ABL, which will then be considered an Excess Bank if it has capacity to accept the deposit. Cash deposited in Excess Banks will not be FDIC-insured. See *"What is the ICA Program Available Bank List (ABL) and to Which Banks will my Cash be Allocated?"* for details. If there is insufficient capacity at the Excess Banks and insufficient capacity to move your balances to another Bank on your applicable ABL, then the cash balances above the maximum insurable amount will be placed in the Client Cash Account. See *"What happens when there is insufficient Bank deposit capacity?"*

There are limits on the amount of FDIC deposit insurance coverage for you based on the account type, cash balance swept to a Bank through the ICA, and cash balances you may, independent of the ICA, maintain with the same Bank.

Consequently, if you independently maintain cash balances with a Bank (outside of ICA), you may wish to block that Bank from receiving cash balances under the ICA. If you hold assets or deposits at a Bank on your applicable ABL outside of the ICA program, your total deposits may exceed your applicable maximum amount of FDIC deposit insurance. As described below, you should contact your financial professional to designate any of the Banks on the ABL as ineligible to receive your cash to prevent this from occurring. Opting out of one or more Banks on the ABL can reduce the maximum insurance available to you under the ICA program. The Banks have contractually agreed with LPL to provide certain amounts of deposit capacity for the ICA program, which can change from time to time. See "What happens when there is insufficient Bank deposit capacity?" for details regarding the holding of cash balances in excess of total Bank capacity under the ICA program.

On any business day when your eligible account's cash is transferred, this cash will be held temporarily at the clearing bank (Intermediary Receiving Bank) used by LPL to settle deposits pending transfer to the Deposit Accounts at the Bank. When held at the Intermediary Receiving Bank, your account's cash will temporarily be uninsured. Once distributed to Banks on your applicable ABL, your account's cash will be eligible for insurance up to the applicable limits discussed herein. The ICA program has adopted procedures intended to ensure the movement of cash in a timely manner and expects that your cash will be transferred by the close of business each day. In the unlikely event of a failure of wire transfer systems or communication facilities, your cash could remain uninsured at the Intermediary Receiving Bank until the next business day (or until such systems/facilities are fully restored).

FDIC insurance protects against the loss of deposits due if an FDIC-insured bank fails. LPL itself is not an FDIC-insured institution. Only the cash deposited within the Deposit Accounts at the Banks is eligible for FDIC insurance. Eligibility for pass-through deposit insurance coverage is subject to fulfilling specific conditions. Furthermore, the investment products identified herein that are not covered by FDIC insurance do not constitute bank deposits and are subject to investment risks, including the potential loss of the amount invested. These products are distinct from the interest-bearing FDIC-insured deposit accounts made available through the ICA program's Banks.

WHEN ACCOUNTS TRANSFER OWNERSHIP

If you become the owner of deposits at a Bank as a result of the death of another depositor, the FDIC will aggregate other deposits held by you in the same Ownership Category with the same Bank for purposes of the $250,000 deposit insurance limit beginning on the earlier of six months after the death of the depositor or the restructuring of the affected accounts. The FDIC provides the six-month grace period to permit you time to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

If Deposit Accounts or other deposits at the Bank are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquirer until:

i. The later of the expiration of six months after the assumption and the maturity date of the certificates of deposit or other time deposits which were assumed, or

ii. with respect to deposits that are not time deposits, the expiration of a six-month period from the date of the assumption.

Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquirer held in the same FDIC-defined Ownership Category.

FDIC INSURANCE: DETAILS AND EXAMPLES

The application of the $250,000 federal deposit insurance limitation is illustrated by several common factual situations discussed below.

NON-RETIREMENT ACCOUNTS

Individual Customer Accounts: If your eligible account is reflected on LPL's records as being owned by a single individual or entity, the total available deposit insurance for that individual or entity of all deposits held in the same Ownership Category with an individual Bank is $250,000. This category includes, as well, accounts of "sole proprietorships," single-name accounts containing community property funds, and accounts of a decedent and accounts held by executors or administrators of a decedent's estate.

Guardian, custodian, or conservator accounts: If the eligible account is reflected on LPL's records as being held by an agent, guardian, custodian, or conservator for the benefit of their ward, or for the benefit of a minor under the Uniform Gifts to Minors Act, cash swept into a Deposit Account at a Bank will be insured to the same extent as if they were deposited in the name of the ward, minor, or other beneficiary in the same Ownership Category.

Qualifying Joint Accounts: If the eligible account is reflected on LPL's records as being owned jointly by more than one individual, then cash swept into a Deposit Account at a Bank will be insured up to

$250,000 per individual owner, separate from any single ownership deposit accounts held with the same Bank. A joint LPL eligible account shall be deemed to be a "qualifying joint account" only if:

i. all co-owners of each eligible account reflected on LPL's records are "natural persons"; and

ii. LPL's records reflect that each co-owner possesses withdrawal rights on the same basis.

Joint Accounts Other than a Qualifying Joint Account: If an eligible account is reflected on LPL's records as being owned jointly by one or more entities (which may include any individuals), the deposit account will be treated as being owned by each named owner, as an individual, corporation, partnership, or unincorporated association, as the case may be, and the actual ownership interest of each individual or entity in such account shall be added to any other single ownership accounts of such individual or other accounts of such entity at an individual Bank, and will be insured in accordance with the provisions governing the insurance of single ownership accounts.

Trust Accounts: If an eligible account is reflected on LPL's records as being held in any of the following types of relationship, it would be treated for deposit insurance purposes as described below:

i. Informal revocable trusts, such as eligible accounts that are payable-on-death accounts, in-trust-for accounts, and Totten trust accounts;

ii. formal revocable trusts, defined to mean eligible accounts held pursuant to a written revocable trust agreement under which a deposit passes to one or more beneficiaries upon the grantor's death; and

iii. irrevocable trust accounts, meaning eligible accounts held pursuant to an irrevocable trust established by written agreement or by statute.

Because these account types are considered to be part of the same category for deposit insurance purposes, they would be aggregated when applying the deposit insurance limit. Deposits from such eligible accounts will be insured in an amount up to the $250,000 multiplied by the total number of beneficiaries identified by each grantor, up to a maximum of 5 beneficiaries. In the case of trust interests of a beneficiary that pass from the same grantor, they would be aggregated for purposes of determining deposit insurance coverage at the individual Bank, whether or not held in connection with an informal revocable trust, formal revocable trust, or irrevocable trust. The deposit insurance coverage provided to beneficiaries of such trusts is separate from coverage

provided for other deposits held by such beneficiaries at the same Bank.

Unless otherwise specified in LPL's records with respect to the related eligible accounts, the eligible account held in connection with a trust established by multiple grantors is presumed to have been owned or funded by each grantor in equal shares.

The total number of beneficiaries with respect to an eligible account held by a trust will be determined as follows:

i. Eligible beneficiaries include only natural persons, and charitable organizations and other non-profit entities recognized as such under the Internal Revenue Code of 1986, as amended.

ii. Beneficiaries do not include the grantor(s) of the trust; or a person or entity that would only obtain an interest in the trust if one or more identified beneficiaries are deceased.

iii. If the trust agreement provides that trust assets will pass into one or more new trusts upon the death of the grantor(s) (''future trusts") the future trust(s) are not treated as beneficiaries of the trust. Instead, the future trust(s) are viewed as mechanisms for distributing the trust and the beneficiaries that are eligible beneficiaries would be treated as the "beneficiaries" that will receive the trust assets through the future trusts.

iv. If an informal revocable trust designates the holder of the eligible account's trust as its beneficiary, the informal revocable trust account will be treated as if the eligible account were titled in the name of the formal trust.

In the case of an informal revocable trust, LPL's eligible account records must reflect the names of beneficiaries. In the case of a formal revocable trust, the title of the LPL eligible account must include terminology sufficient to identify the account as a trust account, such as ''family trust'' or ''living trust,'' or must otherwise be identified as a testamentary trust in the account records of LPL. If eligible beneficiaries of such formal revocable trust are specifically named in the eligible account records of LPL, the FDIC will presume the continued validity of the named beneficiary's interest in the trust unless the FDIC has reason to believe that such records misrepresent the actual ownership of deposited cash and such misrepresentation would increase deposit insurance coverage, in which case the FDIC may consider all available evidence and pay claims for insured deposits on the basis of the actual rather than the misrepresented ownership.

In the case of revocable trust co-owners that are sole beneficiaries of the trust, deposits held in connection with the trust are treated as joint ownership deposits. Deposits of employee benefit plans, even if held in connection with a trust, are treated as an employee benefit plan described below under "Retirement Accounts."

Even though deposits in trust accounts are eligible for FDIC insurance as described above, the ICA program allocates trust account deposits across multiple Banks to ensure that the aggregate trust deposits at any single Bank do not exceed the

$250,000 per bank FDIC insurance limit (subject to the use of Excess Banks). The program maximum FDIC insurance remains for these accounts.

BUSINESS ACCOUNTS

If the eligible account is reflected on LPL's records as being owned by a business, cash swept into a Deposit Account in a Bank will be added to other deposits of such business held in the same Ownership Category with the Bank and insured up to $250,000 in the aggregate. In the case of a business that is a sole proprietorship, for deposit insurance purposes, swept cash will be treated as deposits of the person who is the sole proprietor and added to any other deposits of that person held in the same Ownership Category.

RETIREMENT ACCOUNTS

If you hold a retirement account in an eligible account type, you may have interests in various retirement plans and accounts that have placed deposits in accounts at the Banks. The amount of deposit insurance to which you will be entitled, including whether the deposits held by the retirement plan or account will be considered separately or aggregated with the deposits of the same Bank held by other retirement plans or accounts, will vary depending on the type of retirement plan or account. It is therefore important to understand the type of retirement plan or account holding the deposits.

WHAT ARE THE ANTICIPATED INTEREST RATES, FEES, AND RELATED CONFLICTS OF INTEREST?

The amount of interest you receive is determined by applying your applicable Household ICA Balance tier

rate, as specified on the website identified below, to your ICA Deposit Account balance. As Household ICA Balance tiers or corresponding posted interest rates can change as frequently as daily and without advance notice, it is your obligation to periodically check applicable rate tiers, posted interest rates, and account linking to ensure your continued direction to use the ICA program as your sweep choice is aligned with your financial goals.

INTEREST RATES

Interest will accrue daily on Deposit Account balances from the day cash is deposited into a Deposit Account at a Bank through the business day preceding the date of withdrawal from that Bank. Interest will be compounded daily and credited monthly.

You will receive the same interest rates on all Deposit Account assets regardless of the Bank in which your cash is deposited. Interest rates payable by the Banks under the ICA program are reduced for the fees paid to LPL, the amount(s) of which LPL has sole discretion to set, and the fees paid to other parties. Posted interest rates that you receive are net of these fees, which will generally differ by Bank (see the discussion below about LPL's related conflicts of interest). The rate of interest accruing on your Deposit Account balances may change as frequently as daily without prior notice. The most up-to-date posted interest rates may be found by visiting https://www.lpl.com/content/dam/edam/product/banking/insured-cash-acct-rate-tiers.pdf .

The interest rates available through the ICA program will likely be lower than the interest rates available to depositors making deposits directly with a program Bank and for investments in money market mutual funds (MMF) and other cash equivalent investments available through LPL. Banks do not have a duty to offer you the highest rates available, or rates that are comparable to MMF or other cash equivalent products, and LPL is not responsible for ensuring that you receive such rates on Deposit Accounts. There should be no expectation of a linkage between changes in prevailing interest rates (including changes in Federal Funds Target rates) and the ICA program's interest rate and interest rate tiers. You should compare the terms, posted interest rates, required minimum amounts, and other features of the ICA program with other accounts and alternative investments.

The ICA program is not intended as a long-term investment option for cash holdings and is intended only for cash awaiting reinvestment or use. If you desire to maintain cash balances for other than a short-term period or are seeking higher yields currently available in the market, please contact your financial professional to discuss investment options that may offer the opportunity to earn higher yields or greater returns.

Your continued use of the ICA program will be considered your agreement and consent that you believe the amount of interest you receive under the ICA program, which could be zero, on your otherwise uninvested cash is reasonable and appropriate in light of the products and services you receive with respect to your account(s). You agree that you have the opportunity, at any time, to withdraw cash from your account or otherwise invest it in investment products offered by LPL that may offer the opportunity to potentially earn higher yields or greater returns (although generally with greater potential volatility, investment risks, or restrictions). For more information about your choices, please contact your financial professional.

HOUSEHOLD ICA BALANCE TIERS

The interest rates you receive are defined using tiers based on cash balances in the ICA program that you hold in linked eligible accounts in your household (Household ICA Balance). For purposes of the ICA program, eligible accounts in your household means eligible accounts of all persons at the same legal address, based on account registration. LPL may grant requests to link or separate other accounts at its discretion. Certain accounts may not be eligible for linking. The assets of household linked accounts are not commingled, and the accountholder or accountholders of any linked account retain control over such account. LPL is not responsible for your actions that affect your Household ICA Balance. You may consult your financial professional to determine if your account is eligible to be linked to a household. It is your obligation to notify your financial professional or LPL of accounts that you would like to be linked to your household for this purpose.

LPL reserves the right to modify eligibility requirements and methods of determining and applying Household ICA Balances, Household ICA Balance tiers and interest rates at any time, including the right to modify the definition of Household ICA Balance without notice. LPL reserves the right to apply householding eligibility and methodology differently across its service and product offerings, including, but not limited to, for different

types of accounts, services, products and customer types.

Customers with greater ICA Household Balances generally receive a higher interest rate than customers with lower Household ICA Balances. Different tiers may have the same interest rate on any given day. LPL will determine your Household ICA Balance each day. If additional eligible accounts are linked to your household and your Household ICA Balance interest rate tier changes as a result, the updated tier will generally be reflected in 48 hours or less. Your Household ICA Balance interest rate tier for any given day is based on your Household ICA Balance from the prior day. The most up-to-date Household ICA Balance tiers and their corresponding interest rates are found by visiting https://www.lpl.com/content/dam/edam/product/banking/insured-cash-acct-rate-tiers.pdf.

FEES AND RELATED CONFLICTS OF INTEREST

The ICA program creates financial benefits for LPL. Each Bank will pay LPL a fee equal to a percentage of the average daily deposit balance in each Deposit Account. Such fees differ among the participating Banks. The fee paid to LPL is subject to change and will be at an annual rate of up to an average of 600 basis points as applied across all Deposit Accounts taken in the aggregate. The fee received by LPL reduces the interest paid on your ICA program cash. LPL generally receives as its fee the majority of the amount paid by the Banks with respect to Deposit Accounts. The interest rates and yields on the ICA program have been, and may continue in the future to be, lower than the aggregate fees received by LPL for your participation in the ICA program. Therefore, we have an incentive for you to use (and increase assets in) the ICA program in order to increase our compensation. For information about historical fees received by LPL from average daily balances in the ICA program, please visit https://www.lpl.com/content/dam/edam/product/banking/ica-account-fees.pdf or speak with your financial professional.

In addition to the fees referenced herein, your account is subject to additional fees and transaction charges that apply to brokerage and securities accounts maintained by LPL pursuant to your account agreements and other related documents. If you are investing through an advisory account, the fees that LPL receives from the Banks are in addition to the advisory fee that you pay LPL and your financial professional. This means that LPL earns two layers of fees on the same cash balances in your LPL account. This can result in you experiencing a negative overall investment return with respect to cash reserves in the ICA program.

LPL also has an incentive to assign your eligible account(s) to Banks for which LPL earns higher fees. LPL has a conflict of interest with respect to allocations of additional sweep capacity to program Banks and arrangements that will increase its compensation.

We set our advisory program fees with the expectation that we will receive fees and benefits from the ICA program. Our advisory program fees would be higher if we did not receive fees and benefits from the ICA program. See "What happens when there is insufficient Bank deposit capacity?" for additional details on capacity.

The fees that LPL receives from the Banks are an important revenue stream and present a conflict of interest for LPL because LPL benefits financially if cash is swept into the ICA program. Because this compensation is retained by LPL and is not shared with your financial professional, it does not cause your financial professional to have a direct financial incentive to recommend that cash be held in a Deposit Account instead of holding securities.

However, your financial professional does have a financial incentive to recommend that your cash not be swept to (or remain in) the ICA program, as they do not receive additional compensation for such sweeps.

In addition to LPL, other service providers of the ICA program will receive fees. Other than these stated fees, there will be no charges, fees, or commissions imposed on your account with respect to the ICA program.

If you are acting on behalf of a retirement account, you, as a responsible plan fiduciary, agree that you are responsible for ensuring that the enrollment in and use of the ICA program and/or that holding cash balances as a free credit balance (as discussed below), is consistent with the applicable legal and regulatory requirements (including ERISA and Internal Revenue Code Section 4975). You have determined that the ICA program and/or the free credit balance sweep, which may not earn income for the account, are (i) ordinary and necessary services for the account and are reasonable and in the best interests of the account; and (ii) that the account receives no less, nor pays no more, than adequate consideration with respect to these

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

WHAT IS THE ICA PROGRAM AVAILABLE BANK LIST (ABL) AND TO WHICH BANKS WILL MY CASH BE ALLOCATED?

The ABL is a list of the available Banks into which your account's cash may be deposited. There are three versions of the ABL: ABL (Retail Accounts), ABL (Business Accounts), and ABL (Qualified Accounts). The ABL applicable for your account is based on your account type. "Retail accounts" are non-retirement accounts that are owned by individuals and non-business entities. "Business accounts" are accounts owned by business entities. "Qualified accounts" are retirement accounts. All three of these ABLs are available at https://www.lpl.com/disclosures/lpl-financial-fdic-insured-bank-deposit-sweep-programs.html. If you have any questions about which ABL list applies to your account, consult your financial professional. To view the Banks holding your account's cash sweep balances, you can visit AccountView or view your account statement.

For each Bank (other than Excess Banks) on the ABL, LPL will maintain your Deposit Accounts such that cash balances will not exceed the FDIC Ownership Category limits of $250,000 per individual and $500,000 for joint accounts. The ABL expressly identifies "Excess Banks." In the case of Excess Banks, cash will be deposited without regard for the $250,000 and $500,000 limits.

Your cash may be allocated to any Bank or Banks on your applicable ABL and may be reallocated each day among those Banks. Your cash is allocated among Banks on a given day based upon our third-party administrator's allocation process using a variety of factors including, but not limited to, availability of FDIC insurance coverage at the Bank, its ability to accept deposits on that day, and the existence of any minimum or maximum deposit thresholds that LPL is required to maintain contractually with a given bank.

You may not designate or direct to which Banks on your account's applicable ABL will receive your account's cash. You may, as described above, designate a Bank as ineligible to receive your cash (i.e., "opt-out" of such Bank). This will result in your cash not being deposited into this Bank, or if already there, LPL will remove your cash from that Bank and designate the Bank as ineligible to receive future deposits of cash.

Your cash previously deposited in eliminated banks (including banks that stop participating in the ICA program or reduce their capacity resulting in a return of deposits) or "opted-out" Banks will be reallocated and deposited in other Banks on the applicable ABL, subject to capacity and other limits discussed above. **Please inform your financial professional if you desire to opt out of specific Banks.**

You should review your account's applicable ABL carefully. If you already have assets/deposits at any Bank on the ABL, please notify your financial professional to designate that Bank as ineligible as detailed above so that no additional cash is allocated through the ICA program to that Bank.

You are responsible for monitoring whether you have other accounts, assets, and deposits at any of the Banks on your account's applicable ABL that may limit the amount of FDIC insurance available to you under the ICA program, and notifying your financial professional if you do, or notifying your financial professional if you wish to remove an opt-out previously made.

Banks may be added or removed from the ABL, at any time. In addition, the Banks identified as Excess Banks may change. When changes are made, we will update the ABL. Please consult your financial professional or LPL.com periodically throughout the month for updates and information regarding how these changes may impact your account.

You will not have a direct depository relationship with the ICA program Banks. If you or LPL terminates your use of the ICA program, or a Bank at which you have Deposit Accounts is no longer available through the ICA program, you may choose to establish a direct depository relationship with the Bank, subject to its rules with respect to establishing and maintaining deposit accounts.

In the event that you open an account, establishing the deposit account directly in your name at a bank will separate the deposit accounts from your LPL account. If you establish a direct depository relationship with a bank, the deposit accounts will no longer be reflected in your account statements or AccountView and LPL will have no further responsibility concerning the deposit account.

WHAT HAPPENS WHEN THERE IS INSUFFICIENT BANK DEPOSIT CAPACITY?

The ability of the ICA program to sweep your uninvested cash into Bank Deposit Accounts depends on the Banks' capacity to accept additional deposits. Where these Banks have insufficient capacity to accept additional deposits or otherwise reduce their current capacity levels, LPL will treat the resultant "overflow balances" as described in this section.

"Overflow balances" are cash in the ICA program for which there is insufficient deposit capacity in the Banks on the ABL. Overflow balances will be allocated by LPL to a "Client Cash Account." LPL will deploy overflow balances held in Client Cash Accounts in the ordinary course of its business in a manner consistent with its regulatory obligations. For example, LPL generally earns interest or a return by investing in short-term instruments or by using these balances to fund margin loans to its customers at a lower funding cost than would otherwise be the case.

Overflow balances maintained in your Client Cash Account are considered "free credit balances" and represent a direct liability of LPL to you. Your Client Cash Account balances will earn interest at the same rate available under the ICA with respect to Deposit Accounts held at participating Banks.

Overflow balances maintained in your Client Cash Account are eligible for SIPC insurance coverage as claims under the Securities Investor Protection Act ("SIPA"). **Free credit balances are not, however, eligible for FDIC deposit insurance coverage and do not constitute deposits with an insured depository institution.**

Overflow balances will be held by LPL as free credit balances and not swept into Bank Deposits at any Bank until Bank deposit capacity becomes available. At such time, new cash deposits into the ICA program will be allocated to the Banks as detailed above, and some or all of the amounts held in your Client Cash Account will be allocated to the Banks, also as detailed above.

Account statements and AccountView will reflect the location and type of all of your ICA program balances, whether maintained in Banks or in the Client Cash Account.

FREE CREDIT BALANCE FEATURES AND DISCLOSURES

Cash balances held in your account, which represent a liability of LPL and are commonly referred to as free credit balances, may be used by LPL in the ordinary course of its business subject to the limitations under Securities Exchange Commission Rule 15c3-3 under the Securities Exchange Act of 1934 ("Rule 15c3-3"). The use of customer free credit balances creates funding for limited uses by LPL, generally at a lesser cost than other sources of funding. LPL can use the funding created by free credit balances to generate revenue for LPL (less amounts paid to the customer on such balances), which LPL retains as additional compensation.

LPL does not share this compensation with your financial professional. Credit balances held in your account are not insured or guaranteed by the FDIC but are eligible for limited coverage by SIPC under SIPA.

During such time that you hold free credit balances in your account under the ICA program, you will receive interest in the same manner as Deposit Accounts. Please speak with your financial professional to obtain more information about current yields on balances in the ICA program (including the Client Cash Account).

LPL makes money on the balances maintained in Client Cash Accounts, depending on how those free credit balances are invested or deposited. Pursuant to Rule 15c3-3, LPL can (i) deposit cash balances into a segregated deposit account at its banks, thereby making interest on the Client Cash Account balances deposited, or (ii) invest the cash balances in securities backed by the full faith and credit of the U.S. government, thereby making money on any yield generated by such securities. The amount LPL will earn from these sources will vary based on market forces and the contracts for deposit arrangements that LPL is able to secure with its banks. LPL may use both or either of these vehicles at its sole discretion. Any amounts LPL receives pursuant to these sources will be reduced by the interest payable to you on such balances described above, and further reduced by the cost of borrowing any funds necessary to meet its reserve requirements under Rule 15c3-3. See *"Fees and Related Conflicts of Interest"* for details about the significance of this compensation to LPL.

LPL will treat all free credit balances, including overflow balances held in Client Cash Accounts, in the ordinary course of its business in a manner consistent

with its regulatory obligations. For example, LPL generally earns interest or a return by investing in short-term instruments or by using these balances to fund margin loans to its customers at a lower funding cost than would otherwise be the case.

In an effort to move overflow balances back into Banks more quickly, LPL will move overflow balances from free credit balances to the Banks on the ABL on a rolling basis as and when capacity becomes available.

WHAT ARE THE AVAILABLE ALTERNATIVES?

If you hold an eligible account type and Ownership Category and you do not wish to have available cash swept through the ICA program, you may contact your financial professional for assistance to turn off the automatic cash sweep. As a result, any cash balances will be held with LPL as a free credit balance as described in your account agreement. See *"What happens when there is insufficient Bank deposit capacity?"* and *"Free credit balance features and disclosures"* for additional information.

LPL offers a number of alternatives to invest cash that may be purchased outside of the sweep programs, such as money market mutual funds (MMF), US Treasury bills, and certificates of deposit. You should compare the terms, interest rates, required minimum amounts, and other factors of these alternatives before investing.

Debits in your eligible account will be paid automatically from available cash balances in the account and then from cash in the sweep programs, as applicable. In the event there is no cash available in the accounts to cover debits, you would need to liquidate separately purchased MMF or other securities to cover the required debits, or move cash from another investment or bank account.

Investment in a MMF is not insured or guaranteed by the FDIC or any other government agency.

Although the fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the fund. As discussed herein, interest rates on ICA Deposit Accounts will vary and are expected to be lower than rates available for other products, such as MMFs and other cash-equivalent type products. By comparison, MMFs generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses.

LPL is a member of SIPC. For accounts held at LPL, SIPC provides account protection up to a maximum of $500,000 per customer, of which $250,000 may be claims for cash. This account protection applies when a SIPC member firm fails financially and is unable to meet obligations to securities customers, but it does not protect against losses from the rise and fall in the market value of investments. More information on SIPC, including obtaining a SIPC brochure (available at https://www.sipc.org/news-and-media/brochures), may be obtained by calling SIPC at (202) 371-8300 or by visiting www.sipc.org.

WHERE CAN I FIND MORE INFORMATION?

Transactions and activity with respect to your cash will appear on your periodic account statement. For each statement period, your account statement will reflect:

- Deposits to and withdrawals on your behalf from the Deposit Accounts
- The closing balance of your cash in the Deposit Accounts at each Bank
- Interest earned on your ICA cash sweep balances

Please note that the Banks where your cash is swept may change at any time during a month—your statement will reflect which Banks hold your cash as of the date of the statement. Your financial professional can assist you if you have any questions about how your account statement reflects your balances at each Bank. You may obtain additional information about your cash by calling your financial professional or, if applicable, by accessing your account through LPL AccountView. If you have not subscribed to LPL AccountView and wish to do so, please contact your financial professional to subscribe.

All notices from LPL detailed in this document may be made by means of a letter, an entry on or insert with your account statement or, a trade confirmation, or by electronic or other form of notice, including but not limited to e-mail or alerts. Many pieces of information are also found on lpl.com.

CHANGES TO PROGRAM TERMS

LPL may change these terms and conditions from time to time by providing notice to you by any of the means described above. Your continued use of your account and the ICA program without notifying us of your election to terminate your participation in the ICA program shall indicate your consent to the revised terms and conditions.

LPL may modify the ICA program, which may result in changing the program or program options for your

account, to the extent permitted by law. If we make any change, there is no guarantee that such change will provide an equal or greater rate of return to you during any given period. Generally, while we will try to provide advance notice of such changes, certain circumstances may make that impossible, in which case we will notify you as soon as is reasonably practical. Program modifications may include a change to your sweep option and, depending on the new option, we may either transfer the balances from your existing option into a new option or leave your balances in your existing option, withdraw all debits from the existing option, and invest all credits in the new option. If you object to the option that we select or any program changes, or, if at any time the ICA program does not meet your needs, contact your financial professional. If a sweep option change is made, the new option that we choose for you may receive a lower effective rate of return than is available on cash swept into a Deposit Account.

APPENDIX

Included in this Appendix are additional details on several concepts discussed within the booklet.

ACCOUNT OPENING AND MANAGEMENT: OPERATIONAL DETAILS

When sweeping cash to participating Banks under the ICA program, two types of accounts are established at each Bank on the ABL on behalf of you and other LPL customers: a money market deposit account (MMDA), which is a type of savings deposit, and a linked transaction account (TA). The Bank, at its discretion, may determine a minimum amount to be maintained in the TA. The MMDAs and TAs are non-transferable.

Deposit Account ownership will be evidenced by a book entry on the account records of each Bank showing the Deposit Account as an agency account held by LPL for the benefit of you and other LPL customers, and by records maintained by LPL as your agent. LPL is not acting as a fiduciary or assuming fiduciary responsibility with respect to the Deposit Accounts, selection of Banks, or allocations to particular Banks.

No evidence of ownership, such as a passbook or certificate, will be issued to you. Your account statements will reflect your balances at the Banks, as applicable and as of the date of the statement. You should retain the account statements for your records. You may at any time obtain current information about your Bank Deposit holdings by contacting your financial professional. The Banks will not provide you with information or accept instructions from you with respect to your cash in the Deposit Account that has been established by LPL on your behalf through the ICA program.

Due to federal banking regulations, each Bank reserves the right to require seven business days' notice before you withdraw cash balances from your Deposit Accounts.

So long as this right is not exercised, your ability to access cash, including the ability to write checks against your account, should not be impacted.

If you decide to terminate your participation in the ICA program sweep option, you may establish a direct relationship with each Bank by making a request to the Bank to establish a Deposit Account in your name, subject to each Bank's rules with respect to establishing and maintaining deposit accounts.

Once that is done, you would contact LPL and request a transfer of the cash in the Deposit Account into your individual Deposit Account. Establishment of the Deposit Account directly in your name at a Bank will separate the Deposit Accounts from the LPL account. If you establish a direct depository relationship with a Bank, the Deposit Accounts will no longer be reflected in your account statement and LPL will have no further responsibility concerning the Deposit Accounts.

TAXES

For most customers, interest earned on deposits in the Deposit Accounts will be taxed as ordinary income in the year it is received. A Form 1099 will be sent to you each year showing the amount of interest income earned on your ICA program cash sweep deposits. You should consult with your tax advisor about how the ICA program affects you.

If you have any questions about LPL's Automatic Cash Sweep Programs, including the Insured Cash Account Program, please ask your financial professional.

This material has been prepared by LPL Financial.