



national planning corporation
NPC of America[®] in Florida and New York
Member FINRA, SIPC

Investment Advisory Program Premier Sponsor Program and Marketing Support Payments Disclosure

National Planning Corporation^{®1} (referred to as Firm, our, or we) is providing you with this important notice regarding marketing support payments we receive from certain Third Party Asset Managers (TPAMs) to assist you in evaluating investment management options made available to you through our representatives (Representatives). These payments are provided to us by a select group of TPAMs from their general revenues, which may consist of a portion of the management fees payable to them from your account. We will update this notice on a periodic basis if any changes occur to the arrangements described below, and the most recent version will be posted on the Firm's website, www.natplan.com, under "Investors," then "Disclosures," then "NPC's TPAM Premier Sponsor Program and Marketing Support Payments Disclosure."

Premier Sponsor Program: We offer a range of investment-related services (each service being referred to as a Program), including Programs that use TPAMs. TPAMs generally provide investment management, reporting and custodial services on a single platform under an investment advisory relationship. The Firm conducts due diligence to ensure that TPAMs we select meet certain requirements. If a TPAM meets these requirements, we enter into an agreement with the TPAM that enables your Representative to offer the TPAM's investment services. If you select a TPAM to manage your account, the Firm and the Representative receive a portion of the overall fees you pay to participate in the Program. We refer to these payments as "Standard Compensation" and such fees are detailed in Part 2A of the Firm's and TPAM's Form ADV. A portion of the Standard Compensation we receive is shared with Representatives, depending upon their payout grid. These payout grids are generally weighted to pay higher percentages of the Standard Compensation to Representatives who generate more revenue for the Firm.

In addition to Standard Compensation, the Firm also enters into agreements with certain TPAMs under which the Firm receives additional marketing support payments from the TPAMs. We refer to these TPAMs as "Premier Sponsors" and this additional marketing support compensation as "Premier Sponsor Payments." The Premier Sponsor Payments we receive vary among the Premier Sponsors and are an annual flat dollar amount payable to the Firm to assist with its promotion of their Programs. As noted above, Premier Sponsor Payments are paid from revenue that the Premier Sponsors or their affiliates receive, and are not specific deductions from your account.

We use the Premier Sponsor Payments to offset costs associated with distribution and marketing of the TPAMs, including, but not limited to, conducting due diligence, operational and personnel costs, hosting certain conferences, presentations, meetings and events, and other costs associated with supporting these Programs. Given the number of TPAMs in the marketplace, Premier Sponsor Payments also assist the Firm and your Representative in evaluating the services of reputable TPAMs and new opportunities that may benefit you. Premier Sponsors may also pay costs associated with our Representatives and employees attending certain conferences, presentations, meetings and events designed to educate them about the Premier Sponsor or other business matters.

Our TPAM Premier Sponsors are:

AssetMark
Brinker
Curian Capital^{®*}
Envestnet
FTJ Fundchoice
Loring Ward
SEI.

*Curian Capital, LLC is an affiliate of the Firm, as described in greater detail below.

Premier Sponsor Payments: Since Premier Sponsor Payments create an actual or perceived conflict of interest, this notice is intended to provide you with information on the Premier Sponsor Program, the Premier Sponsors who participate in the Program, and related information about which you should be aware.

In exchange for Premier Sponsor Payments received by the Firm, the Premier Sponsors receive enhanced access to your Representative. Such access includes (i) the opportunity to speak about their services at Firm conferences, presentations, meetings or events at which your Representative may be in attendance; (ii) increased prominence on the Firm's website; and (iii) other opportunities to interact directly or indirectly with your Representative, beyond what other sponsors may enjoy.

This access to your Representative provides Premier Sponsors increased opportunities for marketing, educating and training Representatives about their services, which, in turn, may increase our Representatives' knowledge and familiarity of Premier Sponsors' services versus other TPAMs' services. In the case of AssetMark and SEI, the level of access and engagement with the Firm and our Representatives is further enhanced and reflective of increased Premier Sponsor Payments received by the Firm. TPAMs that are not Premier Sponsors do not participate in these select Firm conferences, presentations, meetings, or events and do not receive the same level of access to our Representatives. This may influence your Representative when making recommendations to you and other clients.

Curian Capital Affiliation: The Firm is affiliated with Curian Capital, LLC (Curian) which has historically served as a TPAM under our Premier Sponsor Program. However, Curian has announced that it will be winding down its operations during 2016 and no longer accepts or manages any client accounts as a TPAM. As a result, the Firm no longer receives any Premier Sponsor Payments from Curian.

If you previously appointed Curian to manage your account, the Firm and its parent company directly benefited from the receipt of Standard Compensation and Premier Sponsor Payments described above, and also indirectly benefited from this selection because a greater amount of the total Program fees would have been paid to the Firm and Curian than if the client selected a non-affiliated TPAM. Accordingly, the Firm has had a conflict of interest in recommending Curian's products and services to its clients.

Updated 2/16

¹The Firm and its affiliated insurance agencies are owned by National Planning Holdings, Inc., a financial services holding company.