

LPL ENTERPRISE, LLC FIRM BROCHURE

LPL Enterprise, LLC
1055 LPL Way, Fort Mill, SC 29715
www.lpl.com/lpl-enterprise.html (704) 733-3482

March 31, 2025

This brochure provides information about the qualifications and business practices of LPL Enterprise, LLC ("LPLE"). If you have any questions about the contents of this brochure, please contact your LPLE representative or LPLE at LPLEnterprise.ADV@lpl.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about LPLE also is available on the SEC's website at <https://adviserinfo.sec.gov/>

ITEM 1 COVER PAGE

ITEM 2 MATERIAL CHANGES

The following is a summary of certain changes made to this Brochure from the time of the initial filing dated July 5, 2024. Item 4 was updated to include a description of a Third-Party Asset Management Program. Additional risk disclosures were added in Item 8 related to third-party service providers' or any counterparties' potential use of artificial intelligence and machine learning, as well as risks related to investment strategies that seek to enhance after-tax performance, including funds that utilize a tax-managed strategy (e.g., an "exchange fund"). Item 9 was updated to provide information regarding disciplinary events of our affiliate LPL Financial LLC, involving (i) a settlement with the SEC that included a \$50 million fine for failing to maintain required records of certain business-related communications; and (ii) a settlement with the SEC that included an \$18 million fine for LPL not following its anti-money laundering policies for its customer identification program and ongoing customer due diligence obligations. Item 14 was updated to disclose that financial institutions may receive up to 0.15% of assets transferred to on-platform LPLE programs from third-party investment programs as Operational Assistance.

ITEM 3 TABLE OF CONTENTS

ITEM 1 COVER PAGE	1
ITEM 2 MATERIAL CHANGES	1
ITEM 3 TABLE OF CONTENTS.....	1
ITEM 4 ADVISORY BUSINESS.....	2
ITEM 5 FEES AND COMPENSATION	4
ITEM 6 PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT	6
ITEM 7 TYPES OF CLIENTS	6
ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	7
ITEM 9 DISCIPLINARY INFORMATION.....	11
ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	13
ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	14
ITEM 12 BROKERAGE PRACTICES	16
ITEM 13 REVIEW OF ACCOUNTS.....	17
ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION	17
ITEM 15 CUSTODY	21
ITEM 16 INVESTMENT DISCRETION	21
ITEM 17 VOTING CLIENT SECURITIES	21
ITEM 18 FINANCIAL INFORMATION	21



LPL ENTERPRISE, LLC FIRM BROCHURE

ITEM 4 ADVISORY BUSINESS

Introduction

LPLE is an investment adviser registered with the Securities and Exchange Commission (“SEC”) pursuant to the Investment Advisers Act of 1940 (the “Advisers Act”). Note that registration as an investment adviser with the SEC does not imply a certain level of skill or training. LPLE is owned 100% by LPL Holdings, Inc., which is owned 100% by LPL Financial Holdings Inc., a publicly held company.

LPLE’s advisory services are made available to clients primarily through individuals associated with LPLE as investment adviser representatives (“IARs”). For more information about the IAR providing advisory services, client should refer to the Brochure Supplement for the IAR. The Brochure Supplement is a separate document that is provided by the IAR along with this Brochure before or at the time client engages the IAR. If client did not receive a Brochure Supplement for the IAR, the client should contact the IAR or LPLE at LPLEnterprise.ADV@lpl.com. IARs are required by applicable rules and policies to obtain licenses and complete certain training in order to recommend certain investment products and services. You should be aware that your IAR, depending on the licenses or training obtained, may or may not be able to recommend certain investments, models, programs, or services. In addition, your IAR may be associated with a financial institution that does not offer certain products, investments, models, programs, or services. Please ask your IAR whether any limitations apply.

Types of Advisory Services

LPLE offers various types of advisory services and programs, including a wrap program called Model Wealth Portfolios (“MWP”) sponsored by its affiliate, LPL Financial LLC (“LPL”) and financial planning and consulting services. This Brochure provides certain information about MWP and information about financial planning and consulting services. LPL provides a separate disclosure brochure for MWP. If clients would like more information on MWP, clients should contact their IAR for a copy of that program brochure or go to <https://adviserinfo.sec.gov>. LPLE conducts its advisory business under the name “LPL Enterprise, LLC.” Although LPLE uses separate marketing names, LPLE does not conduct any advisory business primarily through any of those entities.

LPLE is also a broker-dealer registered with the Financial Industry Regulatory Authority (“FINRA”), and IARs are typically also registered with LPLE as broker-dealer registered representatives. Therefore, in such cases, IARs are able to offer a client both investment advisory and brokerage services. Before engaging with an IAR, clients should take time to consider the differences between an advisory relationship and a brokerage relationship to determine which type of service best serves the client’s investment needs and goals. All recommendations regarding advisory accounts will be in an advisory capacity, and any recommendations regarding any brokerage account will be in a brokerage capacity, unless a client is expressly told otherwise. Clients should speak to the IAR to understand the different types of services available through LPLE. Not all LPLE IARs have access to all products and services.

Following is a summary description of advisory services covered by this Brochure. Please consult the applicable client account agreement and fee schedules for additional information and details regarding these programs and services.

Financial Planning & Consulting Services

Under our Financial Planning & Consulting Services Program, LPLE, through its IARs, provides personal financial planning and consulting services tailored to the individual needs of the client. The scope and duration of services varies and is determined between the client and IAR, and may range from comprehensive financial planning to consulting on a particular issue, including focus on topics such as retirement planning, education planning, estate planning, cash flow/budget planning, risk management planning, personal wealth planning, tax planning, business planning, investment planning/asset allocation, divorce planning, executive compensation strategies, or such other financial planning or consulting services needs as designated in the Financial Planning & Consulting Services Program Agreement, and may include delivery of a written financial plan or report depending upon the scope of agreed upon services.



LPL ENTERPRISE, LLC FIRM BROCHURE

The client remains solely responsible for determining whether or not to implement program recommendations and taking all necessary steps to do so. LPLE and IAR will not exercise investment discretion or implement any investment advice or recommendations provided as part of the services. Rather, the services are offered as point-in-time based consultations that are provided either on a one-time basis or periodically at such frequency as requested by client, and do not include providing ongoing active investment management or monitoring services. Moreover, to the extent that the services include consideration of a client's group or individual qualified retirement plan assets, this is not intended to result in LPLE or IAR acting as a "fiduciary" as such term applies under the Employee Retirement Security Act of 1974 ("ERISA") or the Internal Revenue Code. Clients may elect to retain LPLE and IAR to provide various securities and/or ongoing investment management or monitoring services by enrolling in other programs available through LPLE.

Third Party Asset Management (TAMP)

TAMP services are generally offered through LPLE as co-investment advisory service arrangements but may also be referral-based in nature, as designated within the applicable TAMP sponsor (as defined below) agreement, disclosures or other account paperwork provided to the client when establishing a TAMP account.

Co-Investment Advisory Services: LPLE, through its IARs, provides access to asset management programs offered by third-party investment advisors (referred to as "TAMP sponsors") with which LPLE have entered an agreement to provide services as a co-investment advisor. These TAMP sponsors are subject to review according to LPLE standards for inclusion as a TAMP and change from time to time. As of the date of this Brochure, these firms include AssetMark, Beacon, Brinker Capital, City National Rochdale Investment Management, Dunham & Associates, Flexible Plan, FOCUS Partners (formerly Buckingham Strategic Partners), Freedom Investment Management, Madison Investments, Matson Money, Manning & Napier, Members Trust Company, Morningstar Investment Services, Orion Portfolio Solutions, SEI, Symmetry Partners, and The Pacific Financial Group. Please consult IAR for information regarding available TAMP sponsors.

TAMP services generally begin by the IAR assisting the client with setting an appropriate investment objective based on their unique financial circumstances and needs, determining the appropriateness of the program and opening an account with a suitable TAMP sponsor. The IAR also typically assists the client with selecting a suitable model investment portfolio consisting of securities selected and managed by either the TAMP sponsor or a designated portfolio management firm (referred to as a "subadvisor") available through the TAMP sponsor. The TAMP sponsor or subadvisor is typically granted authority in its client agreement to purchase and sell securities on a discretionary basis pursuant to the investment objective chosen by the client, though trading authority may be limited to non-discretionary under certain circumstances based on the terms of the terms governing the arrangement. LPLE, through its IAR, provides ongoing monitoring of the client's TAMP account and may periodically recommend changes to the model portfolio, or TAMP sponsor or subadvisor, as appropriate based on changes to the client's investment objective or other relevant factors. In the case of group retirement plans, LPLE and the IAR do not act as an "investment manager" as defined under Section 3(38) of ERISA, unless otherwise expressly acknowledged in writing by LPLE.

The TAMP sponsor and subadvisors typically provide impersonal investment advice by constructing and maintaining various model investment portfolios that are managed according to specific investment strategies associated with the corresponding models, and that are not generally customized for individual clients (subject to the client's ability to request reasonable investment restrictions. In limited cases, the TAMP sponsor or subadvisor may enable the IAR or client a great degree of influence and/or discretion to customize model portfolio holdings, pursuant to the terms of the TAMP sponsor's client agreement. In addition to portfolio management services, the TAMP sponsor will also generally arrange for custody of client assets, trade execution, cashiering services, and such other services as outlined in their separate client agreement and disclosure brochure.

Since the services provided by each TAMP sponsor or subadvisor are unique, clients should request and carefully review the applicable disclosure brochure, client agreement and other account paperwork for each TAMP for more detailed information about the services provided by the TAMP sponsor, including without limitation, a description of the TAMP sponsor's background, investment strategies, fees, custody arrangements, conflicts of interest, and other relevant information regarding the TAMP sponsor's services and business practices. Clients may request a copy of their disclosure brochure from the IAR or by



LPL ENTERPRISE, LLC FIRM BROCHURE

visiting <https://adviserinfo.sec.gov/>. Clients may also request the Form ADV 2B Supplemental Brochure for TAMP sponsors and subadvisors from their IAR for detailed information about the management personnel responsible for managing TAMP investment portfolios.

Referral-based Services: On a limited basis, LPLE offers TAMP referral and related services through its IAR, to accommodate certain (i) clients serviced by AssetMark or BNY Mellon Wealth Management, (ii) group retirement plan sponsors or participants and (iii) other legacy or unique client arrangements LPLE elects to accommodate and service on a referral basis. In such case, the TAMP client agreement, disclosures or other account paperwork will ordinarily identify LPLE and its IARs as either a referral agent, solicitor or promoter, and outline details of the referral arrangement between the TAMP sponsor and LPLE. Under these arrangements, the client engages the TAMP sponsor as the investment advisor responsible for providing ongoing investment advice and portfolio management, and LPLE is compensated by the TAMP sponsor for providing the referral, enrollment and ongoing account administrative support as a liaison between the client and TAMP sponsor through the IAR.

Access to LPL Programs

LPLE offers clients access to LPL's MWP investment advisory program. MWP is a unified managed account program in which LPL and LPLE provide ongoing investment advice on a discretionary basis. LPLE, through IAR, obtains the necessary financial data from the client, assists the client in determining the suitability of the program and assists the client in setting an appropriate investment objective. LPLE selects one or more model portfolios of securities (each, a "Portfolio") designed by LPL's Research Department, a third-party investment strategist, or LPLE, through IAR (each, a "Portfolio Strategist"), consistent with the client's stated investment objective. These Portfolios may contain mutual funds, exchange-traded funds ("ETFs"), exchange-traded notes ("ETNs"), closed-end funds, equities, or fixed-income securities. LPLE, through IAR, provides ongoing advice on the selection or replacement of a Portfolio based on the client's individual needs and may choose more than one Portfolio to be managed within a single MWP account. A Portfolio also may be comprised of one or more underlying models.

Clients grant LPLE and IAR discretion to choose among the available models designed by the Portfolio Strategists. The Portfolio Strategist is responsible for selecting the securities within a Portfolio and for making changes to the securities selected. Each Portfolio Strategist provides its model portfolio to LPL, and LPL makes the decisions on how to implement the model on behalf of clients.

Clients should review the MWP Program Brochure for more detailed information about this program.

ITEM 5 FEES AND COMPENSATION

Financial Planning & Consulting Services

Clients generally pay either a flat or hourly fee and will be billed at such frequency (e.g., upfront, monthly, quarterly or annually) as negotiated with the IAR and indicated in Schedule A to the client agreement. These fees typically range from \$0 to \$10,000, or up to \$500 per hour, but may exceed this amount depending on the frequency and scope of complexity of the financial planning engagement. The IAR may elect to provide these services on a discounted or complimentary basis for no fee. Clients should understand that the fee client negotiates with IAR for these services will be higher than the fees charged by other investment advisors for similar services in certain circumstances and particularly, if the fee is at or near the maximum fees set out above. The IAR is responsible for determining the fee to charge each client based on factors such as total amount of assets involved in the relationship, the complexity of the planning services, and the number and range of supplementary advisory and client-related services to be provided. Clients should consider the level and complexity of the planning services to be provided when negotiating the fee with IAR.

Clients may pay the financial planning fee by check made payable to LPL Enterprise, LLC. In the alternative, clients may instruct and authorize LPL to debit the fee on a one-time or recurring basis either (i) from a non-retirement account of the client custodied at LPL or (ii) through an LPLE approved third party payment processing service.

The client may terminate their services agreement at any time and request a refund of unearned fees, if any, based on the time and effort of services completed prior to termination of the agreement.



LPL ENTERPRISE, LLC FIRM BROCHURE

TAMP – Co-Investment Advisory Model

For co-investment advisory TAMP arrangements, LPLE and the TAMP sponsor each charge an advisory fee to the client for their respective services as indicated in the TAMP sponsor's account paperwork. The LPLE IAR negotiates the fee payable to LPLE typically up to a maximum of 2% (but may be higher in certain circumstances) and the TAMP sponsor often discloses a standardized fee schedule with a set minimum or maximum fee, though its fees may also be negotiable. The advisory fee is ordinarily based on the value of assets under management as calculated by the designated custodian, which generally deducts and pays fees to LPLE and the TAMP sponsor either quarterly in arrears or in advance, although some arrangements may support monthly fees. The total advisory fee is often paid to the TAMP sponsor which in turn pays the agreed upon portion to LPLE. LPLE typically shares between 90% to 100% of the advisory fee with the financial institution with which the IAR is affiliated or an affiliate of such financial institution. The program agreements and/or disclosure brochures provided by LPLE and the TAMP sponsor will outline how a client may terminate a TAMP arrangement and request a refund of any pre-paid unearned fees.

There are other fees and charges imposed by the TAMP sponsor or third parties that apply to investments in TAMP accounts. Some of these fees and charges are described below and should also be outlined in the TAMP sponsors' respective disclosure brochures as applicable. The client will be charged commissions, markups, markdowns, or transaction charges by the broker-dealer who executes transactions in the TAMP account. There also are custodial related fees imposed by the custodian of assets for the program account. These additional fees and charges will be set out in the TAMP disclosure brochure and the agreements executed by the client at the time the account is opened. LPLE does not share in any of the transaction fees or custodial fees associated with TAMP accounts.

If assets are invested in mutual funds, ETFs or other pooled funds, there are two layers of advisory fees and expenses for those assets. Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. Client will also pay the TAMP advisory fee with respect to those assets. The mutual funds and ETFs available in the programs often may be purchased directly. Therefore, clients could avoid the second layer of fees by not using the advisory services of the TAMP and IAR and by making their own decisions regarding the investment.

A mutual fund in a TAMP account may pay an asset based sales charge or service fee (e.g., 12b-1 fee) that is paid to the broker-dealer on the account. LPLE and LPLE IARs generally are not paid these fees for TAMP accounts.

If client transfers into a TAMP account a previously purchased mutual fund, and there is an applicable contingent deferred sales charge on the fund, client will pay that charge when the mutual fund is sold. If the account is invested in a mutual fund that charges a fee if a redemption is made within a specific time period after the investment, client will be charged a redemption fee. If a mutual fund has a frequent trading policy, the policy can limit a client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits, or tax harvesting).

If client holds variable annuity or variable universal life insurance subaccount assets that are managed as part of a TAMP account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the sponsor. If client holds a UIT in a TAMP account, UIT sponsors charge creation and development fees or similar fees. Further information regarding fees assessed by a mutual fund, variable annuity, variable universal life insurance product, or UIT is available in the appropriate prospectus, which clients may request from IAR.

Client understands that a TAMP account will be charged an ongoing fee for investment advisory services and that the ongoing fee may cost more than if the assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, and there is typically no duty to provide ongoing advice with respect to the account. If client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, client should consider opening a brokerage account rather than a TAMP account.

If the TAMP arrangement is a wrap fee program, clients should understand that the wrap fee may cost the client more than purchasing the program services separately, for example, paying fees for the advisory services of the TAMP and IAR, plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the:



LPL ENTERPRISE, LLC FIRM BROCHURE

- type and size of the account
- types of securities in the account
- historical and or expected size or number of trades for the account, and
- number and range of supplementary advisory and client-related services provided to the client.

The investment products and services available to be purchased in TAMP accounts can be purchased by clients outside of a TAMP account, through LPLE, or through broker-dealers or other investment firms not affiliated LPLE or the TAMP sponsor. In addition, investment models or subadvisors offered by TAMP sponsors may also be available through other LPLE advisory programs at a lower overall cost to clients. Where the same model or subadvisor is offered by a TAMP and in another LPLE advisory program, the total cost a client pays to access these through a TAMP, including amounts charged directly or indirectly for co-advisory or referral fees to paid LPLE and the LPLE IAR could exceed the total inclusive cost for access to the same model or subadvisor through an alternative LPLE advisory program. Advisory programs differ in overall features and functionalities offered, and an IAR may only recommend a program or service that he or she believes is suitable and in the best interest of a client.

TAMP sponsors may offer one or more share classes per mutual fund in their investment models or programs. Share classes are different types of mutual fund shares that typically carry different levels of distribution or servicing fees and are available for purchase by different types of investors, and include, for example, "Class I, "institutional," "investor," "retail," "service," "administrative" or "platform" share classes. For LPLE's other advisory programs, mutual fund share classes are generally no-load or load-waived, however the share classes are, in many cases, not the least expensive share class that the mutual fund makes available. In the TAMPs, the TAMP sponsor or a model advisor or subadvisor determines which mutual fund share classes to use. The share classes chosen by the TAMP sponsor or other third-party adviser may be more or less expensive to clients than those available in the other advisory programs. Therefore, clients may be able to purchase the same mutual funds outside of the TAMP account for lower fees.

Client should be aware that securities transferred into a TAMP account may have been subject to a commission or sales load when the security was originally purchased. After transfer into a TAMP account, client should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, client should consider and speak to IAR about whether:

- a commission was previously paid on the security;
- client wishes for the security to be managed as part of the account and be subject to an advisory fee; or
- client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

Fees for LPL Programs

Clients in the MWP program are charged an annualized account fee which is comprised of an advisory fee and a manager fee. The advisory fee is charged for the investment advisory services of LPLE as well as the as well as the investment advisory, administrative, trading, custodial and clearing services of LPL. The maximum advisory fee is 2.35% and is negotiable. Depending upon the model(s) selected for the account, clients pay a manager fee set by LPL for the use of each model portfolio. The manager fee ranges from 0% to 0.60%. LPL deducts the account fee and other fees and charges associated with an MWP account quarterly in advance. In addition to the account fee, clients also pay LPL other additional miscellaneous administrative and custodial-related fees and charges and other fees and charges imposed by third parties that apply to an MWP account. Clients should review the MWP Program Brochure for more information about the fees associated with this program.

ITEM 6 PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

This Item is not applicable. LPLE and its IARs do not accept performance-based fees.

ITEM 7 TYPES OF CLIENTS

LPLE's advisory services are available for individuals, individual retirement accounts ("IRAs"), banks, thrift institutions, credit unions, pension and profit-sharing plans, including plans subject to ERISA, participants in such plans, trusts, estates, charitable organizations, state and municipal government entities, corporations and other business entities.



LPL ENTERPRISE, LLC FIRM BROCHURE

LPL requires a minimum asset value for an MWP account to be managed, as disclosed in the MWP Program Brochure. LPLE does not require a minimum asset amount for financial planning and consulting services.

For TAMPs, the TAMP sponsor typically establishes a minimum account value, which will be set out in the account opening documents and Form ADV Part 2A of the TAMP sponsor.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

LPLE and its IARs have access to various LPL and third-party research reports and model portfolios, including from the Research Department of its affiliate LPL, to which they may refer in determining investment advice to clients. LPLE and the IAR choose their own research methods, investment style and management philosophy. It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable.

Types of Investments and Risks

Depending on the type of service being provided, LPLE and its IARs can recommend different types of securities, including mutual funds, closed-end funds, ETFs, ETNs, equities, and fixed income securities. Investing in securities involves the risk of loss that clients should be prepared to bear. Described below are some risks associated with investing and with some types of investments that an IAR can recommend depending on the service provided.

- *Market Risk.* This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- *Interest Rate Risk.* This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- *Economic Conditions Risk.* This is the risk that economic, political, or financial developments will, from time to time, result in periods of volatility or other adverse effects that could negatively impact your account.
- *Credit Risk.* This is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- *Liquidity Risk.* This is the risk that an investor would not be able to sell or redeem an investment quickly, or would not be able to sell or redeem an investment quickly without significantly affecting the price. Liquidity risk is heightened when markets are distressed. Generally, alternative investments have higher liquidity risk than equities, fixed income securities or mutual funds or ETFs.
- *Issuer-Specific Risk.* This is the risk that the value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.
- *Investment Company Risk.* To the extent a client account invests in ETFs or other investment companies, its performance will be affected by the performance of those other investment companies. Investments in ETFs and other investment companies are subject to the risks of the investment companies' investments, as well as to the investment companies' expenses. If a client account invests in other investment companies, the client account may receive distributions of taxable gains from portfolio transactions by that investment company and may recognize taxable gains from transactions in shares of that investment company, which would be taxable when distributed.
- *Concentration Risk.* To the extent a client account concentrates its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country or region, the overall adverse impact on the client of adverse developments in the business of such issuer, such industry or such government could be considerably greater than if they did not concentrate their investments to such an extent.
- *Sector Risk.* To the extent a client account invests more heavily in particular sectors, industries, or sub-sectors of the market, its performance will be especially sensitive to developments that significantly affect those sectors, industries, or sub-sectors. An individual sector, industry, or sub-sector of the market may be more volatile, and may perform differently, than the broader market. The several industries that constitute a sector may all react in the same way to economic, political or regulatory events. A client account's performance could be affected if the sectors, industries, or sub-sectors do not perform as expected. Alternatively, the lack of exposure to one or more sectors or industries may adversely affect performance.



LPL ENTERPRISE, LLC FIRM BROCHURE

- *Equity Securities.* Common and preferred stock represents the equity ownership of a company. Stock markets are volatile and the price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. The value of equity securities may also decline due to factors that affect particular industries or particular issuers. The values of equity securities may be more volatile than those of other asset classes.
- *Debt Securities.* Debt securities, such as bonds, involve interest rate risk, credit risk, extension risk, prepayment risk, and other types of risks. In addition, the value of debt securities may fluctuate in response to market movements or issues that affect particular industries or issuers. When interest rates fall, the issuers of debt securities may prepay principal more quickly than expected, and investors may have to reinvest the proceeds at a lower interest rate. This is known as "prepayment risk." When interest rates rise, debt securities may be repaid more slowly than expected, and the value of the debt security can fall sharply. This is known as "extension risk." Certain types of debt securities may be subject to "call and redemption risk," which is the risk that the issuer may call a bond for redemption before it matures and the investor may lose income.
- *Foreign Securities Risk.* Foreign investments involve special risks not present in U.S. investments that increase an investor's potential to lose money. Among other issues, custody of securities in foreign markets, changes in foreign currency exchange rates, foreign economic and market conditions, actions adverse to investors taken by foreign governments, lack of governmental oversight or regulation of securities markets, underdeveloped settlement and clearing services, and foreign withholding taxes may negatively affect the value of investments in foreign securities.
- *Alternative Strategy Mutual Funds.* Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be appropriate for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes, and potential illiquidity. Clients should be aware that alternative investments and/or strategies are generally considered speculative in nature and involve a high degree of risk, particularly if concentrating investments. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry. These types of funds tend to have higher expense ratios than more traditional mutual funds. They also tend to be newer and have less of a track record or performance history.
- *Closed-End.* Clients should be aware that closed-end funds available within the program may not give investors the right to redeem their shares, and a secondary market may not exist. Therefore, clients may be unable to liquidate all or a portion of their shares in these types of funds.
- *Exchange-Traded Funds (ETFs).* ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.
- *Exchange-Traded Notes (ETNs).* An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows: The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a



LPL ENTERPRISE, LLC FIRM BROCHURE

specific sector, asset class or country and may therefore carry specific risks. ETNs may be closed and liquidated at the discretion of the issuing company.

- *Tax-Managed Investing Risk.* Investment strategies that seek to enhance after-tax performance might be unable to fully realize strategic gains or harvest losses due to various factors. Market conditions could limit the ability to generate tax losses. A tax-managed strategy could cause a client portfolio to hold a security to achieve more favorable tax treatment or to sell a security in order to create tax losses. A tax loss realized by a U.S. investor after selling a security will be negated if the investor purchases the security within thirty days. There is no guarantee that securities submitted for exchange will be accepted by a fund that utilizes a tax-managed strategy (e.g., an “exchange fund”), and exchange funds may accept “out-of-benchmark” securities at the sole discretion of portfolio managers. Although third-party managers of these strategies seek to avoid “wash sales” whenever possible and temporarily restrict securities they have sold at a loss to prevent them, a wash sale can occur inadvertently because of trading by a client in portfolios not managed by the third-party manager. A wash sale can also be triggered by the third-party manager when it has sold a security for loss harvesting and shortly thereafter the firm is directed by the client to invest a substantial amount of cash resulting in a repurchase of the security. Changes to the tax code and other policy changes could result in unfavorable tax treatment for investors in tax-managed strategies.
- *Direct Indexing.* Direct indexing strategies seek to replicate the performance of a market index by directly holding the individual securities, or a representative sample of the individual securities, that make up the index. Direct indexing may provide a more tax efficient means of investing, and may allow for more customized investment allocations, than investing in a fund or other commingled product that seeks to replicate the index. The potential benefits of direct indexing, however, will not necessarily be realized if you don’t take advantage of tax planning or impose account restrictions, such as account level security or sector-based restrictions or customizations based on your specific tax, ESG or other preferences. Fees and expenses for the direct indexing strategy in some cases will be higher than the fees and expenses associated with alternative index products. Higher fees and expenses could adversely impact account performance. The size of your account and the number of securities in the index your account seeks to replicate also limit the ability of your account to replicate the index. As a result, the direct indexing strategy introduces the risk of tracking error relative to the index into your account and can cause your portfolio to underperform the index, including as a result of customization. LPL and LPLE cannot guarantee that the dividend yield in your portfolio will accurately track a market index.
- *High-Yield Debt.* High-yield debt is issued by companies or municipalities that do not qualify for “investment grade” ratings by one or more rating agencies. The below investment grade designation is based on the rating agency’s opinion of an issuer that it has a greater risk to repay both principal and interest and a greater risk of default than those issuers rated investment grade. High yield debt carries greater risk than investment grade debt. There is the risk that the potential deterioration of an issuer’s financial health and subsequent downgrade in its rating will result in a decline in market value or default. Because of the potential inability of an issuer to make interest and principal payments, an investor may receive back less than originally invested. There is also the risk that the bond’s market value will decline as interest rates rise and that an investor will not be able to liquidate a bond before maturity.
- *Cybersecurity Risk.* Failures or breaches of the electronic systems of LPL, LPLE, their services providers, securities market participants or the issuers of securities can cause significant losses for investors. Unintentional cyber events, such as the inadvertent release of confidential information, could also adversely impact investor account. Any cyber event could cause result in the loss or theft of investor data or cause investors financial loss and expense.
- *Use of Artificial Intelligence and Machine Learning.* Recent technological advances in artificial intelligence, generative artificial intelligence, and machine learning technology (collectively, “Machine Learning Technology”) may pose risks to LPL, LPLE and its IARs. LPL, LPLE and its IARs could be further exposed to the risks of Machine Learning Technology if third-party service providers or any counterparties, whether or not known to LPL, LPLE or its IARs, also use Machine Learning Technology in their business activities. LPLE, LPLE and its IARs will not be in a position to control the operations of third-party service providers or counterparties, the manner in which third-party products are developed or maintained or the manner in which third-party services are provided. Machine Learning Technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that Machine Learning Technology utilizes to operate. Certain data in such models will inevitably contain a degree of



LPL ENTERPRISE, LLC FIRM BROCHURE

inaccuracy and error, potentially materially so, and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of Machine Learning Technology. To the extent that LPL, LPLE or its IARs are exposed to the risks of Machine Learning Technology, any such inaccuracies or errors could have adverse impacts on LPL, LPLE or its IARs, as applicable. Machine Learning Technology and its applications, including in the financial services sector, continue to develop rapidly, and it is impossible to predict the future risks that will from time to time arise from such developments.

- *Values-Based and Environmental, Social and Governance (ESG) Investing Risk.* Values-based investing or ESG investing, also known as “socially responsible investing,” “sustainable investing,” or “impact investing,” focuses on the social values or environmental, social, and governance standards or the sustainability factors of an investment. Some values-based investing strategies focus on factors relating to an individual investor’s personal or religious values, such as “biblical investing,” while other strategies focus on issues like environmental impact. Some values-based investment strategies use values-based criteria to supplement financial analysis when considering a particular issuer or security, while others affirmatively select “socially responsible” investments or screen out or exclude investments in companies that engage in certain activities. Values-based investing may limit the type and number of investments available in a strategy and cause the strategy to underperform other strategies without a values-based focus or with a focus that involves a different type of focus or screening methodology. Values-based strategies may underperform the market as a whole. Companies and issuers selected in a values-based strategy may not or may not continue to demonstrate values-based characteristics. Different investors likely have different opinions about what types of investments are socially responsible.
- *Comparable Products.* LPL and LPLE offer various mutual funds, ETFs and other investment products that have similar or identical investment strategies but different fee and expense arrangements. For example, LPL sells both mutual funds and ETFs that are designed to track an index of securities, such as the S&P 500 Index. A mutual fund and an ETF following an identical strategy have different fees and expenses that affect your investment return. Those fees and expenses include direct costs like sales loads, commissions, and other transaction costs, and indirect costs at the product level like advisory or management fees, distribution expenses (12b-1 fees), and other administrative, shareholder servicing and transfer agent fees. The impact of those fee and expenses on your investment returns also varies based on the size of your initial investment, the length of time you hold the investment, and other factors. The differences in fees and expenses, and additional differences in compensation paid directly by product sponsors like revenue sharing, mean that LPL, LPLE and their IARs generally will earn more compensation for selling one investment product than another. As a result, LPL, LPLE and their IARs have a conflict of interest because of the financial incentive to recommend investment products that pay more compensation if a less expensive comparable product could be used to achieve a customer’s investment objective.
- *Company Stock.* If company stock is available as an investment option to client in a retirement plan, and if client chooses to invest in company stock, client should understand the risks associated with holding company stock in a retirement plan. These risks may include, but are not necessarily limited to, lack of liquidity, over-dependency on client’s employer, and less flexibility to change the allocation of plan assets. Client should pay careful consideration to the benefits of a diversified portfolio. Although diversification is not a guarantee against loss, it can be an effective strategy to help manage investment risk.
- *Tax-Loss Harvesting and Premium Tax Services.* The tax-loss harvesting and premium tax services features of MWP involves a variety of risks. You should confer with your personal tax advisor regarding the tax consequences of investing and engaging in the tax-loss harvesting strategy and tax overlay services, based on your particular circumstances. You and your personal tax advisors are responsible for how the transactions in your account are reported to the IRS or any other taxing authority. Neither LPL nor LPLE assumes any responsibility to you for the tax consequences of any transaction. MWP’s tax-loss harvesting strategy and its tax overlay services are not intended as tax advice, and neither LPL nor LPLE represents in any manner that the tax consequences described will be obtained or that MWP’s investment strategy will result in any particular tax consequence. The tax consequences of these features are complex and may be subject to challenge by the IRS. These features were not developed to be used by, and it cannot be used by, any investor to avoid penalties or interest. You should be aware that if you and/or your spouse have other taxable or non-taxable accounts, and you hold in those accounts any of the securities (including options contracts) held in your MWP account, you cannot trade any of those securities 30 days before or after the MWP account trades those same securities as part of the tax-loss harvesting strategy to avoid possible wash sales and, as a result, a nullification of any tax benefits of the strategy. For more information on the wash sale rule, please read IRS Publication 550. In addition, when LPL replaces investments with “similar” investments as part of the tax-loss harvesting strategy, it is a reference



LPL ENTERPRISE, LLC FIRM BROCHURE

to investments that are expected, but are not guaranteed, to perform similarly and that might lower an investor's tax bill while maintaining a similar expected risk and return on investor's portfolio. Expected returns and risk characteristics are no guarantee of actual performance.

ITEM 9 DISCIPLINARY INFORMATION

LPLE has not had any disciplinary events since its registration with the SEC or FINRA, nor had LPLE's predecessor entity, Harvest Financial Corporation, had any disciplinary events within the past ten (10) years as a dually-registered investment adviser and broker-dealer with the SEC and FINRA. However, because LPLE is an affiliate of LPL, and LPL and LPLE share certain personnel and supervisory processes, this item includes the disciplinary information involving LPL and its IARs within the past (10) years from the date of this filing.

LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated its obligations under Section 17(a) of the Exchange Act and Rule 17a-8 thereunder, which require broker-dealers to comply with certain anti-money laundering ("AML") requirements. The SEC found that LPL did not follow its AML policies for its customer identification program and ongoing customer due diligence obligations by, among other things, not properly verifying new accounts; not timely closing accounts that did not pass its screening measures; and not closing or restricting certain accounts that were prohibited under LPL's AML Policies. The SEC censured LPL and ordered LPL to cease and desist from committing or causing any violations and any future violations of such section and rule, to pay a civil monetary penalty in the amount of \$18 million, and to comply with certain undertakings (2025).

LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) thereunder and Section 204 of the Advisers Act and Rule 204-2(a)(7) thereunder in connection with the maintenance and preservation of off-channel communications; and failed to reasonably supervise its personnel within the meaning of Section 15(b)(4)(E) of the Exchange Act and Section 203(e)(6) of the Advisers Act. LPL admitted to the facts in the settlement order and acknowledged its conduct violated the federal securities laws. The SEC ordered LPL to cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) thereunder and Section 204 of the Advisers Act and Rule 204-2(a)(7) thereunder, censured it for its conduct, ordered it to pay a civil monetary penalty in the amount of \$50,000,000, and ordered it to comply with certain undertakings (2024).

LPL entered into a settlement with the SEC in connection with LPL's failure to comply with its Customer Identification Program procedures. The SEC found that LPL willfully violated Section 17(a) of the Exchange Act and Rule 17a-8 thereunder and was a cause of a third party's violations of Sections 17(a)(2) and (3) of the Securities Act and Section 206(2) of the Advisers Act. The SEC ordered LPL to cease and desist from committing or causing any further violations of these laws and regulations, censured LPL for its conduct, and ordered the payment of disgorgement and prejudgment interest totaling \$141,202 (deemed satisfied based on LPL's voluntary remedial payment of \$4,118,876 to the impacted client), and the payment of a civil money penalty of \$750,000 (2021).

As part of a voluntary self-reporting initiative in 2019, LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated Section 206(2) and 207 of the Advisers Act in connection with inadequate disclosure to clients of its and its associated persons' conflicts of interest related to its receipt of 12b-1 fees and/or its selection of mutual fund share classes that pay such fees. The SEC ordered LPL to cease and desist from committing or causing any violations of Sections 206(2) and 207 of the Advisers Act, censured it for its conduct, and ordered the payment of disgorgement and prejudgment interest to affected investors totaling \$9,333,516 (2019).

LPL, as a broker-dealer, is a member of FINRA and has found to be in violation of FINRA's rules related to its brokerage activities. In particular, LPL consented to sanctions related to the following matters:

- LPL's supervisory systems and maintenance of books and records relating to brokerage direct business transactions, supervisory systems and misstatements about fees relating to brokerage product switch transactions, and supervisory systems relating to brokerage recommendations of publicly traded securities of business development companies (BDCs) to customers, resulting in a censure, a fine of \$5.5 million, restitution to impacted customers, and an undertaking to certify that LPL has remediated the systems and procedures for making recommendations of BDCs (2023).



LPL ENTERPRISE, LLC FIRM BROCHURE

- LPL's supervisory systems and procedures relating to the transmittal of customer funds by wire or check to third parties and maintenance of related books and records, resulting in a censure, a fine of \$3,000,000, restitution to impacted clients, and an undertaking to identify and pay restitution to affected customers for certain other improper transfers (2023).
- LPL's failure to accurately calculate its customer reserve requirement, failure to maintain a sufficient customer reserve, failure to maintain policies and procedures reasonably designed to achieve compliance with the Securities and Exchange Act and FINRA rules, and failure to maintain accurate books and records, resulting in a censure and a fine of \$300,000 (2022).
- LPL's self-reporting of potential issues related to certain C-share purchase suitability reviews and its supervisory systems and procedures relating to waivers of front-end sales charges for rollovers of 529 savings plan investments from one state plan to another, resulting in a censure and payment of restitution to impacted customers (2021).
- LPL's supervisory systems and procedures relating to record retention, fingerprinting and screening of certain associated persons, and supervision of consolidated reports, resulting in a censure, a fine of \$6,500,000 and an undertaking to review and enhance related policies, systems and procedures (2020).
- LPL's supervisory systems and procedures relating to changes in the authority of custodians of accounts established under the Uniform Gifts to Minors Act and/or the Uniform Transfers to Minors Act, resulting in a censure, a fine of \$300,000, and an undertaking to review and enhance its policies, systems, and procedures related to supervision of such accounts (2019).
- The effectiveness of LPL's anti-money laundering program, LPL's failure to amend certain Forms U4 and U5, and LPL's systems and supervisory procedures relating to Forms U4 and U5 reporting requirements, resulting in a censure and a fine of \$2,750,000 and an undertaking to review the process used to disclose customer complaints on Forms U4 and U5 (2018).
- LPL's brokerage supervisory and disclosure procedures related to the sale of certain brokered certificates of deposit in brokerage accounts, resulting in a censure and a fine of \$375,000 (2018).
- LPL's systems and supervisory procedures relating to the creation and distribution of certain required account notices, resulting in a censure, a fine of \$900,000, and an undertaking to review affected processes (2016).
- LPL's systems and supervisory procedures relating to the format in which certain electronic records were retained, resulting in a censure and a fine of \$750,000 (2016).
- LPL's various brokerage supervisory procedures, including those related to the sale of complex non-traditional ETFs, variable annuity ("VA") contracts, REITs and other products in brokerage accounts, as well as LPL's failure to monitor and report trades and deliver trade confirmations, resulting in a censure and a fine of \$10,000,000, and restitution of \$1,664,592 (2015).

LPL, as a broker-dealer, is regulated by each of the 50 states and has been the subject of orders related to the violation of state laws and regulations in connection with its brokerage activities. In particular, LPL entered into consent orders related to the following matters:

- LPL's supervision of electronic signature practices at an LPL branch office in Massachusetts, resulting in a fine of \$250,000 and an undertaking to conduct an internal review of certain related policies and procedures (Massachusetts or "MA", 2023)
- LPL's supervision of an LPL broker-dealer/investment adviser agent's sales of structured products, resulting in a censure, an offer of restitution to impacted clients, and a fine of \$125,000 (Texas, 2022).
- LPL's supervision of two LPL broker-dealer and/or investment adviser agents who pled guilty to charges of fraudulent practices with LPL customers, resulting in a cease and desist order, a fine of \$350,000 and a \$150,000 contribution for financial literacy and investor education initiatives, training and related materials (Connecticut, 2021).
- LPL's supervision of an LPL representative under a heightened supervision plan, resulting in a cease and desist order; a fine of \$275,000; payments of restitution, disgorgement and investigative costs; and offers of payment of surrender charges in connection with variable annuity contracts for impacted customers (New Hampshire or "NH", 2020).
- LPL's failure to timely register (or maintain the registration of) certain agents in MA and failure to amend Forms U4 and U5 for certain agents registered in MA, resulting in a censure, a fine of \$1,100,000, and an undertaking to review and enhance its policies and procedures related to registering its agents in MA and filing reportable events (MA, 2019).
- LPL's brokerage supervisory procedures relating to email review and annual branch office examinations, resulting in a civil penalty of \$450,000 and an undertaking for third-party review of related processes (Indiana, 2018).



LPL ENTERPRISE, LLC FIRM BROCHURE

- The sale of unregistered, non-exempt securities in violation of state registration requirements, resulting (upon entry of the individual consent order) in payment to each participating state or jurisdiction of a civil penalty of \$499,000, reimbursement of certain investigative expenses, remediation through repurchase of certain securities and payment of losses to certain affected customers, and certain additional undertakings (Settlement with up to 53 members of the North American Securities Administrators Association (NASAA), 2018).
- The sale of non-traded alternative investments in excess of prospectus standards or LPL's internal guidelines and the maintenance of related books and records, resulting in a censure, a fine of \$950,000, a \$25,000 contribution to an investor education fund and remediation of losses to impacted customers (New Jersey, 2017).
- LPL's supervisory practices for LPL representatives located on the premises of a credit union, resulting in a censure, a fine of \$1,000,000, and an undertaking to avoid investor confusion specific to the name under which the credit union does business and review LPL's related policies and procedures (MA, 2017).
- LPL's oversight of certain VA transactions, resulting in a censure, a fine of \$975,000, restitution to clients and former clients of an LPL representative, disgorgement of commissions retained by LPL in connection with such representative's VA sales, and an undertaking to review such representative's brokerage and advisory activities and LPL's related policies and procedures (MA, 2017).
- The sale in brokerage accounts of non-traded REITs in excess of prospectus standards, state concentration limits or LPL's internal guidelines, resulting in an aggregate civil penalty of \$1,425,000, reimbursement of certain investigative expenses and remediation of losses to impacted customers (Global settlement with certain members of NASAA, 2015).
- The sale of non-traded REITs in excess of prospectus standards, state concentration limits or LPL's internal guidelines, resulting in an administrative fine of \$250,000, reimbursement of investigative costs of \$250,000, a \$250,000 contribution to an investor education fund and remediation of losses to impacted customers (NH, 2015).
- The sale of leveraged and inverse leveraged ETFs ("Leveraged ETFs"), resulting in an administrative fine of \$50,000 (Delaware), a penalty of \$200,000 (MA), restitution to Delaware customers in an amount up to \$150,000, restitution to Massachusetts customers in an amount up to \$1,600,000, and an agreement to make certain changes in its supervisory system with respect to Leveraged ETFs (2015).
- Failure to implement procedures related to the use of senior-specific titles by LPL representatives as required under MA law, resulting in censure and a fine of \$250,000 (2015).

For more information about those state events and other disciplinary and legal events involving LPL and its IARs, client should refer to Investment Adviser Public Disclosure at <https://adviserinfo.sec.gov> or FINRA BrokerCheck at <https://brokercheck.finra.org>.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

In addition to being registered as an investment adviser with the SEC, LPLE is a broker-dealer registered with FINRA and the SEC. As a broker-dealer, LPLE transacts business in various types of securities, including mutual funds, stocks, bonds, commodities, options, private and public partnerships, variable annuities, REITs and other investment products. LPLE is registered to operate in all 50 states and has primarily an independent-contractor sales force of registered representatives and investment adviser representatives dispersed throughout the United States. In addition, LPLE is qualified to sell insurance products in all 50 states.

Our affiliate LPL is also a registered investment adviser and broker-dealer. As a broker-dealer, LPL transacts business in various types of securities, including mutual funds, stocks, bonds, commodities, options, private and public partnerships, variable annuities, real estate investment trusts and other investment products. LPL is registered to operate in all 50 states and has primarily an independent-contractor sales force of registered representatives and IARs dispersed throughout the United States. LPL has a dedicated team of employee IARs in its offices who service certain accounts, and also a small subset of IARs who operate their own offices or are located on the premises of certain financial institutions and are employees of LPL Employee Services, LLC, an LPL-affiliated company. LPL is also registered as an introducing broker with the Commodity Futures Trading Commission. In addition, LPL is qualified to sell insurance products in all 50 states.

LPLE and The Private Trust Company, N.A. ("PTC"), a federally chartered non-depository bank licensed to provide trust services in all 50 states, are related persons. PTC serves as IRA custodian for client accounts set up as IRAs and receives an annual



LPL ENTERPRISE, LLC FIRM BROCHURE

maintenance fee for this service. PTC also provides personal trustee services to clients for a variety of administrative fiduciary services, which services may relate to an advisory account. Because LPLE and PTC are affiliated companies and share in revenues, there is a financial benefit to the companies if a client uses PTC as a custodian or for personal trustee services, or if a PTC client uses LPLE as an investment advisor. PTC's IRA custodian and trustee services and related fees are established under a separate engagement between the client and PTC.

Fiduciary Trust Company of New Hampshire ("FTC"), a non-depository trust company, is a related person of LPLE. FTC provides custodial and various other recordkeeping and services to IRAs and certain employer-sponsored plans maintained through OPA Program accounts. Because LPLE and FTC are affiliated companies and share in revenues, there is a financial benefit to the companies if a client is referred to or otherwise elects to engage with FTC for services under another LPLE program, and uses LPLE as the investment advisor or broker-dealer. FTC's custodial and recordkeeping services and related fees are established under a separate engagement between the client and FTC.

IARs are permitted to engage in certain LPLE-approved business activities other than the provision of brokerage and advisory services through LPLE, and in certain cases, an IAR could receive greater compensation through the outside business than through LPLE. An IAR could also be an accountant, real estate agent, tax preparer, lawyer or refer customers to other service providers and receive referral fees, for example. As other examples, an IAR could provide advisory or financial planning and consulting services through an independent unaffiliated investment advisory firm or sell insurance.

Additionally, LPLE and/or its IARs may refer clients to unaffiliated firms other than investment product sponsors or financial institutions, for either investment or non-investment related products or services, in exchange for a referral fee or other forms of indirect compensation. These may include referrals for investment banking, lending, accounting, tax preparation, financial technology tools, or such other products, services or consultations that may be requested by and/or benefit a client. As applicable, clients will receive additional disclosures identifying these particular arrangements and any related compensation at the time of the referral.

LPLE has an affiliated insurance agency, LPL Insurance Associates, Inc. ("LPLIA") through which IARs may sell insurance products. LPLE receives compensation from issuers of life insurance (universal, variable universal, whole life, term, and annuities) and other insurance contracts that are made available to IARs, such as long term care insurance and disability insurance. The compensation includes commissions and trails, and may include payments for administrative services that LPLE provides and/or payments made in connection with LPL's marketing and sales-force education and training efforts, including annual national sales and education conference and other conferences of LPL and LPLE. IARs receive a percentage of the commissions or trailing commissions paid to LPLE or LPLIA. IARs may also sell insurance through LPLE or an independent unaffiliated insurance agency. An IAR may earn compensation (including trailing compensation), benefits and non-cash compensation through LPLE or the third-party insurance agency and may have an incentive to recommend you purchase or sell insurance products with LPLE or the independent agency.

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics and Personal Trading

LPLE has adopted a code of ethics that includes guidelines regarding personal securities transactions of its employees and IARs. The code of ethics permits LPLE employees and IARs to invest for their own personal accounts in the same securities that LPLE and IAR purchase for clients in program accounts. This presents a conflict of interest because trading by an employee or IAR in a personal securities account in the same security on or about the same time as trading by a client can disadvantage the client. LPLE addresses this conflict of interest by requiring in its code of ethics that LPLE employees and IARs report certain personal securities transactions and holdings to LPLE. LPLE has procedures to review personal trading accounts for front-running. Employees and IARs are also required to obtain pre-approval for investments in private placements and initial public offerings. A copy of the code of ethics is available to clients or prospective clients upon request and is available at lpl.com/lpl-enterprise.html.



LPL ENTERPRISE, LLC FIRM BROCHURE

Participation or Interest in Client Transactions

LPLE's parent company, LPL Financial Holdings Inc., is a publicly traded company. LPLE does not permit its IARs to recommend or solicit orders of LPL Financial Holdings Inc. stock. However, LPLE or an IAR may recommend or purchase for clients a mutual fund or ETF that holds LPL Financial Holdings Inc. stock as an underlying investment, for example, an ETF that seeks to replicate the performance of an investment services index that includes LPL Financial Holdings Inc.

As part of financial planning and consulting services, an IAR may or may not provide recommendations as to investment products or securities. To the extent that IAR recommends that client invest in products and services that will result in compensation being paid to LPL, LPLE and the IAR, this presents a conflict of interest. The compensation to IAR, LPL and LPLE may be more or less depending on the product or service that the IAR recommends. Therefore, the IAR has a financial incentive to recommend that a financial plan or consulting advice be implemented using a certain product or service over another product or service. The client is under no obligation to purchase securities or services through LPL, LPLE or the IAR.

If the client decides to implement the recommendations received pursuant to a financial plan or consulting services through an LPLE advisory program or service, the IAR will provide client at the time of engagement with a Brochure, client agreement and other account paperwork that contain specific information about fees and compensation that the IAR, LPLE and LPL will receive in connection with that program. The Brochures are also available at <https://adviserinfo.sec.gov>

If the client desires instead to purchase securities in a brokerage account through IAR acting as a registered representative of LPLE, LPLE and IAR will receive brokerage-related compensation for those services, such as commissions and/or trail fees. LPLE provides information regarding such brokerage compensation at the time of a brokerage transaction and also on its website at lpl.com/lpl-enterprise.html. When considering whether to implement recommendations received pursuant to a financial plan or consulting services through IAR and LPLE, clients should discuss with the IAR how LPL, LPLE and IAR will be compensated for any recommendations in the plan.

It is important to note that clients are under no obligation to implement recommendations received pursuant to a financial plan or consulting services through LPLE. Clients should understand that the investment products, securities, and services that an IAR recommends as part of financial planning and consulting services are available to be purchased through broker-dealers, investment advisors or other investment firms not affiliated with LPLE.

Rollovers

If a client is a participant in an employer-sponsored retirement Plan such as a 401(k) plan, and decides to roll assets out of the plan into an account at LPLE, LPLE and LPLE IARs have a financial incentive to encourage client to invest those assets in the account, because LPLE will be paid on those assets, for example, through advisory fees. Client should be aware that such fees likely will be higher than those a participant pays through an employer-sponsored plan, and there can be maintenance and other miscellaneous fees. As securities held in employer-sponsored plans are generally not transferrable to the client's account, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. This conflict of interest is mitigated by LPL's policy regarding rollovers from an employer-sponsored plan into an LPL individual retirement account ("IRA").

LPL and LPL IARs may assist clients contemplating a rollover by providing general investment education to assist plan participants in making informed investment decisions about the distribution options available to them. LPL's educational services are intended to be consistent with the Department of Labor's Interpretive Bulletin 96-1. LPL is not acting in a fiduciary capacity under ERISA when providing educational services. The general investment education provided is not intended to be viewed or construed as a suggestion for client to take a particular course of action with respect to employer-sponsored plan assets (including, a distribution therefrom). With respect to employer-sponsored plan rollovers, LPL makes information available that outlines the many factors client should consider (including the types of fees and costs of an IRA and IRA investments) before making a decision. IARs may also agree to assist clients seeking a recommendation on whether to roll out of their employer-sponsored plan based on an analysis of the client's personal financial needs, savings objectives and other financial and non-financial considerations, that is designed to determine whether such is in the client's best interest under ERISA.



LPL ENTERPRISE, LLC FIRM BROCHURE

IRA to IRA Transfers

If LPL or an LPL IAR recommends that client move assets from an LPL brokerage IRA account or an IRA account held at another financial institution into the account, they are required to consider, based on the information client provides, whether client will be giving up certain investment-related benefits, such as the effects of breakpoints or rights of accumulation, and has determined that the recommendation is in client's best interest because (1) greater services and/or other benefits (including discretionary management, trust services, holistic advice and planning, and automatic account rebalancing) can be achieved with the account; (2) access to your chosen financial professional and asset consolidation (in the case of a transfer from another financial institution); and (3) the asset based fees and transaction charges are justified by these services and features.

Notwithstanding whether a recommendation has been made, clients should understand that with respect to any assets clients decide to move into the account, clients should: (1) evaluate the investment and non-investment considerations important to the client in making the decision; (2) review and understand the fees and costs associated with the account; (3) recognize that higher net fees (if applicable) will reduce the client's investment returns and ultimate retirement assets; and (4) understand the conflicts of interest raised by the financial benefits to LPL and its IARs resulting from the client's decision to move assets into the account.

Other Clients

Client should understand that LPLE and IAR perform advisory and/or brokerage services for various other clients, and that LPLE and IAR may give advice or take actions for those other clients that differ from the advice given to the client. The timing or nature of any action taken for the account may also be different. In addition, LPLE and IAR may, but are not obligated to, purchase or sell or recommend for purchase or sale any security which LPLE or IAR or any of their affiliates may purchase or sell for their own accounts or the account of any other client.

ITEM 12 BROKERAGE PRACTICES

LPLE does not receive research or other products or services other than execution from a broker-dealer in connection with client securities transactions ("soft dollar benefits"). LPLE does not consider, in selecting or recommending broker-dealers, whether LPLE or a related person of LPLE receives client referrals from a broker-dealer or third party.

In connection with TAMPs, the TAMP sponsor may require that clients direct brokerage to a broker-dealer, including the TAMP sponsor or broker-dealer affiliated with the TAMP sponsor. In addition, in connection with customized advisory services, the client may direct that transactions be executed through LPLE or specified third party broker-dealer. Clients should understand that not all advisors require their clients to direct brokerage. By directing brokerage to a broker, clients may be unable to achieve the most favorable execution of client transactions and may pay more in transaction charges than other broker-dealer firms. Therefore, directed brokerage may cost clients more money. For more information about the brokerage practices of a TAMP sponsor, clients should refer to the disclosure brochure for the applicable TAMP.

LPLE requires that clients direct LPL as the broker-dealer to execute transactions in an MWP account. Clients should understand that not all advisors or program sponsors require their clients to direct brokerage. The fact that LPLE's affiliate LPL is the sole broker-dealer on the account presents a conflict of interest. By directing brokerage to LPL, clients may be unable to achieve the most favorable execution of client transactions. Therefore, directed brokerage may cost clients more money. However, clients should understand that LPL is not paid a commission or transaction charge for executing transactions in MWP accounts. In addition, in the case of mutual funds, execution is made at the net asset value of the fund. Although LPL is not paid a commission or transaction charge for transactions in the account, LPL bears costs for each transaction made in an account. This presents a conflict of interest because these costs may be a factor LPL considers when deciding which securities to select and whether or not to place transactions in an account. However, LPL mitigates this conflict by compensating the team responsible for directing the trades through a bonus based on the performance of the portfolios; therefore, the team is not incentivized by cost reduction.

To the extent that LPLE has trading discretion and directly trades client accounts, LPLE will aggregate transactions for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of



LPL ENTERPRISE, LLC FIRM BROCHURE

the securities involved at the average price obtained. LPLE also will aggregate rebalancing transactions for an account with other program accounts. Due to the large number of accounts that may be involved in rebalancing transactions on a single day, LPLE may effect transactions for some accounts on one day and for other accounts on the following day or days. In such case, LPLE will have discretion to sequence the accounts involved in rebalancing transactions with the goal of treating all accounts equitably over time.

ITEM 13 REVIEW OF ACCOUNTS

IARs of LPLE review accounts and meet with clients, on a regular basis or as requested by the client, and such meetings may include review of accounts statements, performance information, and other information or data related to the client's account and investment objectives.

For financial planning and consulting services, clients are encouraged to promptly inform the IAR of any changes to their financial circumstances and investment goals, and to consult and update their financial plans annually. Such consultations and annual reviews are conducted at the election of the client as determined with their IAR and may consist of an updated personal financial plan or recommendations if the client's circumstances and/or goals have changed. Alternatively, the review may be a comparison of the client's current assets and goals (in the form of a progress report or update).

For TAMP services, IARs review accounts and meet with clients, on a regular basis or as requested by the client, and such meetings may include review of accounts statements, quarterly performance information, and other information or data related to the client's account and investment objective. The TAMP sponsor or custodian of the TAMP account assets send clients regular written reports and statements regarding the account.

For MWP accounts, LPL provides clients with regular written reports and statements regarding their accounts. LPL provides detailed performance information annually describing account performance and positions, with additional performance information available upon request. In addition, LPL transmits to clients account statements showing transactions, positions, and deposits and withdrawals of principal and income.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Other Compensation

LPLE employees and IARs receive additional compensation, business entertainment and gifts from product sponsors. However, such compensation may not be tied to the sales of any products. Compensation includes such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, customer appreciation events, marketing events or advertising initiatives, including services for identifying prospective clients. Product sponsors also pay for, or reimburse LPLE for the costs associated with, education or training events that are attended by LPLE employees and IARs, and for LPLE-sponsored conferences and events. For example, LPLE's affiliate, LPL, receives marketing and educational support payments of up to \$260,000 annually from recordkeepers and retirement plan product sponsors for access to data analytics, and to participate and present at LPL and LPLE education and training events for LPLE IARs. Any such support payments are not tied to the sales of any products or client assets in the products. IARs do not receive any portion of these payments. LPLE, LPLE employees and IARs also receive reimbursement from product sponsors for technology-related costs, such as those to build systems, tools and new features to aid in serving customers. For a current and complete list of the product sponsors that pay such marketing and educational support payments, please see lpl.com/lpl-enterprise.html or ask your IAR.

LPL and LPLE employees provide sales support resources to IARs of LPLE that use LPL advisory programs. The compensation that LPL and LPLE pay to these employees varies based on the assets in LPL's and LPLE's different advisory programs. These sales employees have an incentive to promote certain advisory programs to IARs of LPLE over other advisory programs. These employees also earn more compensation when IARs transition client assets from brokerage accounts to advisory accounts, and have a financial incentive to encourage IARs of LPLE to do transition brokerage accounts to advisory.

The IAR recommending a TAMP sponsor to the client receives compensation as a result of the client's participation in the program. This compensation includes a portion of the advisory fee or referral fee and other compensation, such as bonuses,



LPL ENTERPRISE, LLC FIRM BROCHURE

awards or other things of value offered by the TAMP to the IAR. For example, some TAMPs pay additional marketing payments to LPLE, its employees and/or IARs to cover fees to attend conferences or reimbursement of expenses for workshops, seminars presented to clients or advertising, marketing, or practice management. The eligibility of an IAR to receive such reimbursements and the amount of such reimbursements are based on the amount of assets referred by the IAR to the TAMP. The amount of this compensation may be more or less than what the IAR would receive if the client participated in the LPLE advisory programs, programs of other investment advisors or paid separately for investment advice, brokerage, and other client services. Therefore, in such case, the IAR has a financial incentive to recommend a TAMP account over other programs and services.

LPLE has entered into solicitor referral agreements with certain independent third-party investment advisers and TAMPs, listed under Item 4 "Referral-based Services" pursuant to which LPLE and LPLE IARs receive referral fees from the third party investment advisers and TAMPs in return for referring clients. Referrals to certain third-party investment advisers and TAMPs are subject to restrictions imposed by LPLE. Because LPLE is engaged by and paid by the third-party investment advisor or TAMP for the referral, any recommendation regarding a third party investment advisor or TAMP as part of a referral presents a conflict of interest. LPLE addresses this conflict by providing the client with a disclosure statement explaining the role of LPLE and IAR and the referral fee received by LPLE and IAR. For more information regarding these arrangements, see Item 4 above.

LPLE and its IARs may serve as broker-dealer of record on accounts managed by the independent third-party investment advisor. In such case, LPLE and its representatives receives normal and customary compensation (e.g., commissions, 12b-1 fees, trails) from the sale of mutual funds or variable annuities in such accounts. This compensation is in addition to the solicitor fee paid by the third-party investment advisor.

In addition, LPLE enters into other agreements with TAMP sponsors or third-party investment advisers to whom LPLE refers clients, pursuant to which LPLE provides (i) marketing services on behalf of the third party investment advisers to LPLE representatives; or (ii) data technology services to integrate third party investment adviser account data on LPL's technology systems. LPLE receives fees for these data technology services and such fees may be a flat upfront or annual fee or be based on the amount of assets (up to 10 basis points) recommended or referred by LPLE to the TAMP or the third-party investment adviser. Please refer to lpl.com/disclosures.html for current information about any third-party investment adviser that pays this compensation. The IAR does not share in these fees. Any agreements related to referrals are separate from the services provided by LPLE or its IARs. In some cases, the third-party investment advisers pay additional marketing payments to LPLE, its employees and/or IARs to cover fees to attend conferences or reimbursement of expenses for workshops, seminars presented to IARs clients or advertising, marketing or practice management.

Client Referrals

From time to time, LPLE and/or its IARs enter into arrangements with clients, third parties or other financial intermediaries for lead generation, client referrals or solicitation for program accounts (collectively, "solicitation arrangements"). These solicitation arrangements range from largely impersonal referrals to specific client introductions to LPLE and its IARs. Under solicitation arrangements, the third parties and financial intermediaries are independent contractors. In most cases, third parties are not advisory clients of LPLE and do not refer clients based on their experience with LPLE as advisory clients. The compensation paid under the solicitation arrangements is structured in various ways, including a one-time fee, a flat fee per lead or referral, and sharing a portion of the ongoing advisory fee. LPLE and its IARs have generally entered into the following types of referral arrangements:

- *Referral Networks.* Some third parties operate referral networks. Referral networks may present potential clients with a list of possible investing firms and investment adviser representatives, or may direct potential clients specifically only to LPLE and its IARs. Some referral networks receive a flat fee per referral and/or an ongoing fee, while others share a portion of the ongoing advisory fee;
- *Professional Cross Referrals.* Some IARs have relationships with other professionals, such as accountants, lawyers, or tax advisors, in which the professionals refer clients to IARs and in exchange the IARs refer clients to the professionals for their services. The cross-referral arrangement is a quid pro quo relationship that can give rise to similar conflicts as compensated referrals;



LPL ENTERPRISE, LLC FIRM BROCHURE

- *Client Referral Awards.* Investment advisory clients of LPLE's IARs refer new advisory clients to their IARs. Sometimes, in connection with these referrals, IARs pay their clients one-time, non-cash gifts like gift cards or tickets to events for the clients referring to them new advisory clients; and
- *Other Arrangements.* LPLE and its IARs may enter into other arrangements in the future that provide for compensation similar to one or more of the types of arrangements described above.

Depending on the solicitor's arrangement with LPLE, a solicitor may not be compensated for referring a client who opens a brokerage account rather than an advisory account, and as a result may encourage the client to open an advisory account instead of a brokerage account. Solicitation arrangements give rise to material conflicts of interest because the referring party has a financial incentive to introduce new investment advisory clients to LPLE and its IARs. Solicitors may also have other conflicts of interest with respect to a particular IAR or may be associated with LPL or LPLE in another way. Clients who are introduced to LPLE and its IARs through a solicitation arrangement receive specific disclosures at the time of the introduction. If you receive such disclosures, you should review them carefully to understand the details of LPLE's arrangements with the person introducing you to LPLE. LPLE's participation in these referral arrangements does not diminish its fiduciary obligations to its clients.

Conflicts Related to Compensation to IARs and Unaffiliated Financial Institutions

IARs are associated with unaffiliated financial institutions, like insurance companies. Based on an arrangement between LPLE and the financial institution, IARs offer advisory services. Such advisory services are offered by LPLE and not the financial institution. Any securities recommended as part of the investment advice are not guaranteed by the financial institution, or insured by the Federal Deposit Insurance Corporation or any other federal or state deposit guarantee fund relating to financial institutions.

IARs have a financial incentive to negotiate fee arrangements that maximize their compensation. In some programs, LPLE charges a negotiable advisory fee for itself plus a fee for third-party managers that is not negotiable. Differences in fees for third-party managers, and the absence of such fees in other programs, creates a conflict of interest for the IARs insofar as IARs can negotiate a higher LPLE advisory fee for a program or strategy with lower or no separate manager fee than they could for an account subject to a higher third-party manager fee. The amount received by an IAR as a result of a client's participation in any particular program offered by LPLE often is more than the IAR would have received if the client participated in other programs, paid third-party manager fees, or paid separately for investment advice, brokerage and other services covered by the account fee.

LPLE has entered into agreements with the financial institutions pursuant to which LPLE typically shares compensation, including a portion of the advisory fee, with the financial institution or its affiliates. LPLE typically shares between 90% to 100% of the advisory fee with the financial institution with which the IAR is affiliated or an affiliate of such financial institution, and the financial institution or its affiliate pays part of that amount to IAR. The financial institution establishes the compensation plan for the IAR, which is subject to approval by LPLE. The compensation plan determines how the IAR's compensation is structured.

This compensation the IAR receives from the financial institution could be more than if the client participated in other LPLE programs, programs of other investment advisors or paid separately for investment advice, brokerage and other client services, and likewise, the fees that are assessed by LPL or LPLE could be less than other programs or services. Although the IAR may factor in the fees that are assessed by LPL or LPLE in the overall advisory fee negotiated by the client, IAR can still earn more for offering a program at a lower overall fee rate than the fee rate for a program offering a third-party manager. However, if an IAR is recommending an advisory program or service, he or she must believe that the program or service is suitable and in the best interests of the client in accordance with the applicable standards under the Advisers Act or other applicable law. All compensation paid the financial institution and the IAR will be the sole responsibility of LPLE, and will not result in any increase in the advisory fees you pay to LPL and LPLE.

LPLE also may provide other forms of compensation to financial institutions, such as bonuses, awards or other things of value offered by LPL or LPLE to the institution. For example LPLE pays certain financial institutions based on production, in the form of repayable notes, reimbursement of fees that LPL or LPLE charges for items such as administrative services, and other things of value such as free or reduced-cost marketing materials, transition assistance for changing association from another broker-dealer or investment adviser firm to LPLE, advances of advisory fees, and/or attendance at LPL's or LPLE's national conference or top



LPL ENTERPRISE, LLC FIRM BROCHURE

producer forums and events. LPLE pays this compensation based on overall business production and/or on the amount of assets serviced in LPLE advisory programs. LPLE pays this compensation based on overall business production and/or on the amount of assets serviced in LPLE advisory programs. The financial institution and IAR have a financial incentive for an IAR to recommend the program account and services that will result in the greatest compensation to the financial institution and IAR. If LPLE makes a loan to a new or existing financial institution, there is also a conflict of interest because LPLE's interest in collecting on the loan affects its ability to objectively supervise an IAR at that financial institution.

In addition, financial institutions are eligible to receive financial assistance from LPL in connection with transferring existing client accounts serviced at an approved third-party investment program to an LPLE advisory or brokerage account custodied at LPL ("Operational Assistance"). These payments are typically calculated as a percentage of assets transferred to LPL up to 0.15%, but in some cases may involve a flat amount up to \$350 per transferred account. While Operational Assistance is intended to offset bona fide time and effort incurred by the financial institution's IARs in identifying and coordinating transfers, these payments can create an incentive for IARs to recommend that clients transfer their assets to LPL custodied advisory and brokerage accounts since this will result in additional compensation to the financial institution. However, an IAR may only recommend a program or service that he or she believes is suitable and in the best interests of a client in accordance with the standard of care under applicable law.

Some of these financial institutions are affiliated with investment product sponsors, meaning that the investment products are sponsored by the financial institution. An IAR associated with a financial institution has a conflict of interest when IAR encourages clients to invest in that financial institution's proprietary investment products because the financial institution can influence the compensation paid to the IAR or terminate their relationship with the IAR altogether. Certain IARs are statutory agents of financial institutions that are affiliated with investment product sponsors, which means that they receive benefits and insurance as part of their contractual arrangement with those financial institutions. To be statutory agents, such IARs must primarily sell insurance products as their principal business activity, which creates a conflict of interest because such forms of non-cash compensation incentivize IARs to utilize proprietary products. In addition, when an affiliated investment product is selected for an account, the financial institution receives a portion of the advisory fee pursuant to the agreement between LPLE and the financial institution and its affiliate receives fees from the affiliated investment product except to the extent those fees are credited back to the client's account. Because affiliates of the financial institution earn fees and other benefits from the affiliated product, the IAR has an incentive to select its affiliated products based on the compensation and benefits its affiliates receive rather than on a client's needs. Certain financial institutions provide credits for affiliated investment products. We update this information from time to time on lpl.com/lpl-enterprise.html.

Note that the IAR does not receive additional compensation from the financial institution for selecting affiliated products and the IAR may only utilize an investment product that he or she believes is appropriate for clients. LPL reviews and selects investment products for the program and LPL may elect to remove or replace an investment product. There is a conflict of interest because the business relationship between LPL and the financial institution could affect LPL's ability to objectively select and determine whether to continue to maintain these investment products in the program. However, LPL only approves investment products that it determines are suitable and in the best interests of clients using the program, depending on clients' investment objective and risk tolerance.

Specifically, if your IAR is associated with the Prudential Insurance Company of America ("PICA"), you should note that certain model strategies created by PGIM Investments LLC ("PGIM Investments"), an affiliate of PICA, are available in the MWP Program. These models include mutual funds that are advised and/or sub-advised by affiliates of PICA ("PICA Proprietary Funds"). PICA Proprietary Funds can represent all of the investments in the portfolio. PGIM Investments, as a Portfolio Strategist, has an incentive to select PICA Proprietary Funds for its models due to the compensation and benefits it and/or its affiliates receive(s). As a Portfolio Strategist in MWP, PGIM Investments does not charge a manager fee for PGIM Investments model strategies, but PGIM is compensated by the fees associated with the underlying PICA Proprietary Funds it selects for the strategies. Your IAR has an incentive to select the PGIM model strategies for your account due to their association with PICA, which can influence their compensation or terminate their relationship altogether. However, your IAR may only recommend a model strategy that he or she believes is appropriate for you and in your best interest. Qualified retirement accounts receive a credit in an amount equal to the



LPL ENTERPRISE, LLC FIRM BROCHURE

mutual fund advisory and administrative services fees that PICA affiliates receive in connection with the affiliated mutual funds held in the account.

ITEM 15 CUSTODY

For TAMP accounts, client assets are maintained at a custodian other than LPLE. In such case, the client will complete account paperwork with the outside custodian that will provide the name and address of the custodian. The client will receive statements and reports directly from the custodian, rather than from LPLE. Clients should refer to the statements and reports that they receive from the custodian or TAMP sponsor. Clients should review these statements and reports carefully.

For certain services described in this brochure (e.g., hourly consulting services), LPLE may receive prepayment of fees for 6 or more months in advance.

For MWP, which is described in a separate LPL disclosure brochure, LPLE will utilize LPL, which is a qualified custodian as defined in Rule 206(4)-2 under the Advisers Act and maintains custody of client funds and securities in a separate account for each client under the client's name. LPL as a qualified custodian for those program accounts sends account statements showing all transactions, positions, and all deposits and withdrawals of principal and income. LPL sends account statements periodically when the account has had activity or quarterly if there has been no activity. Clients should carefully review those account statements. If clients would like more information on such programs, clients should contact the IAR for a copy of the program brochure that describes such program or go to <https://adviserinfo.sec.gov>.

ITEM 16 INVESTMENT DISCRETION

With respect to financial planning and consulting services, LPLE and the IAR do not have any discretionary investment authority, and do not implement or monitor any recommendations provided to clients. For MWP, which is described in a separate LPL disclosure brochure, LPLE has discretionary investment authority.

For TAMPs, the client typically authorizes the third-party investment advisor to purchase and sell securities on a discretionary basis pursuant to the investment objective chosen by the client. This authorization will be set out in the TAMP client agreement. LPLE and the IAR generally do not have discretion on TAMP accounts subject to limited exceptions on an accommodation basis.

ITEM 17 VOTING CLIENT SECURITIES

LPLE does not accept authority to vote client securities in connection with any of the services described in this Brochure. LPL does accept authority to vote client securities in connection with MWP. Please see the MWP program brochure for more information.

ITEM 18 FINANCIAL INFORMATION

LPLE is a qualified custodian as defined in Rule 206(4)-2, and is therefore not required to include a balance sheet for its most recent financial fiscal year.

