

Our Legacy of Independence

LPL Financial History Timeline

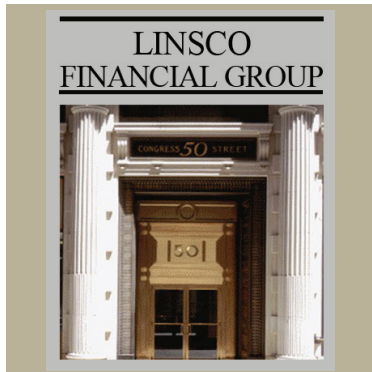
1960s | 1970s

1968

1971

1972

1973



Life Insurance Securities Corporation (Linsco) is established in Boston by seven insurance companies to provide a brokerage platform for their agents to sell mutual funds.



Over 90% of the monetary transactions in the U.S. are conducted by check.



The Equal Rights Amendment, providing for the legal equality of the sexes, is passed by the U.S. Senate on March 22.



Private Ledger, Inc., is founded in San Diego by Bob Ritzman, a 38-year-old former Navy pilot, who wants the independence to meet the unique investment needs of fellow aviators and other clients.

The history of LPL Financial begins in 1989 with the merger of Linsco and Private Ledger—but the roots of our heritage reach back to 1968 when Linsco is founded. It is a time of change; for example, the country is in the midst of the Vietnam War and the women's rights movement. It is also a year of firsts: the first computer network has just been conceived, the first manned Apollo mission is launched, and the first automated teller machine is installed in Philadelphia.

Linsco is built by visionary entrepreneurs with a commitment to providing financial solutions designed to meet the individual needs of their clients. At this time, there is no such thing as financial planning in the public mind; it is uncommon to offer insurance and securities together; and wirehouses do not support insurance sales, meaning traditional stockbrokers are unable to offer a full suite of financial products. Despite these seeming limitations—and reflecting a pioneering philosophy—Linsco is founded by a consortium of insurance companies in Boston to enable its agents to offer more holistic financial planning.

The roots of our history reach back to these entrepreneurial pioneers who envisioned a holistic approach to financial services and aspired to meet the full range of their clients' needs. LPL Financial is built upon that heritage of innovation and independent thought that carries on even today.

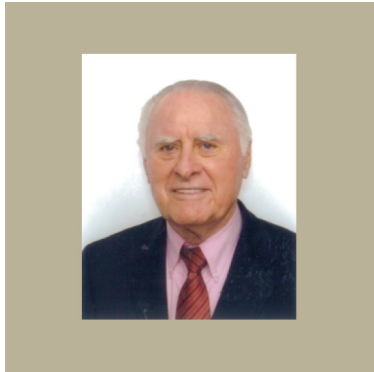
Offering women fulfilling careers in addition to help in planning their financial future is part of our culture from the start. At various times, about 40% of Private Ledger reps are women. "This was very deliberate on our part—we wanted to bring investing not just from Wall Street to Main Street, but also to the kitchen table," recounts Monahan.

While Bob Ritzman has a successful business in Private Ledger, he is inspired to pursue his vision of financial planning and decides to look into creating his own broker/dealer. After meeting at an aircraft carrier recommissioning ceremony, Ritzman convinces naval captain Al Monahan to join the new venture. Together, Ritzman and Monahan launch Private Ledger Financial Services as a broker/dealer subsidiary of Private Ledger, Inc. The new firm offers advisors a full product line—mutual funds, limited partnerships, stocks, and bonds—without pushing them to sell any particular products.

Both men note the influence of military values in the shaping of Private Ledger. Ritzman says, "We benefited in building the business from the integrity of the military. Our organizing principle in dealing with clients was: 'how would you treat your friends?' He remembers that "we actually welcomed NASD audits as an opportunity to improve how we did business." To this day, LPL Financial carries on those principles, focusing on the best interests of our advisors and their clients while continuously striving to improve our processes and service.

1974

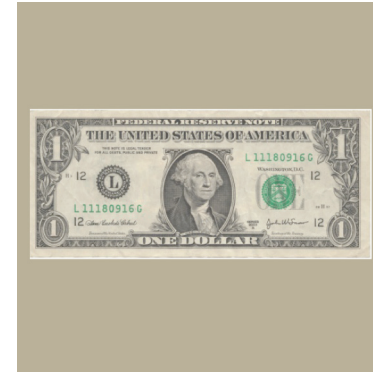
1975



A new account file is basically “a card with the client’s name, address, and Social Security number,” Al Monahan says.



Individual retirement accounts (IRAs) are introduced with the enactment of the Employee Retirement Income Security Act (ERISA).



In the midst of a bear market that brings declines of almost 50%, Linsco, Inc., is sold to former NASD regulator Dermott O’Toole for \$1.00. O’Toole conservatively manages the company, with a field force of over 7,000 at its peak, until his death in 1985.



On May 1, 1975, the U.S. Securities and Exchange Commission mandates the deregulation of the brokerage industry. The mandate abolishes high fixed fees for trading stocks and allows market competition to dictate commissions.

Participants can contribute up to \$1,500/year and reduce their taxable income by the amount of their contribution. Initially, these contributions are restricted to workers who are not covered by a qualified employment-based retirement plan, although eligibility will later be revised to include all taxpayers under 70½. The IRA will grow to become an essential retirement-planning vehicle for millions of Americans, with about 4 in 10 households currently owning an IRA.

When the brokerage industry deregulates commissions, it paves the way for a new business model—discount brokerage—and makes trading stock affordable to the average investor. For the first time in over 180 years, trading fees are set by market competition. In 1975, it can cost hundreds of dollars to buy 500 shares of a blue-chip company.

1976



Private Ledger grows to support 200 advisors, who are drawn to the firm by the full line of non-proprietary products (mutual funds, limited partnerships, stocks, and bonds) and by generous commissions.

1979



The National Association of Independent Broker/Dealers is formed.

Al Monahan, Private Ledger's chief operating officer, together with leaders of four other Southern California broker/dealers form the National Association of Independent Broker/Dealers (originally named California Association of Independent Broker/Dealers) to discuss areas of common interest such as due diligence, compliance, and regulation.

1980s

1981



Private Ledger holds its first President's Council meeting at the Sea Lodge in La Jolla, CA.

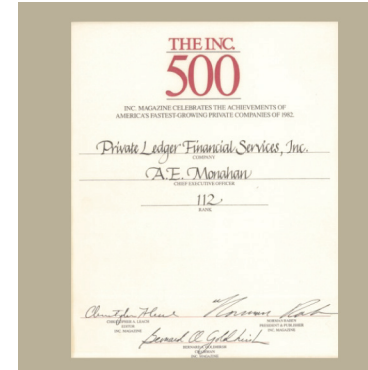
The Private Ledger President's Council provides an opportunity for management to interact with a handful of key advisors to discuss the business and to hear their concerns. The commitment to soliciting feedback from our advisors and listening to their needs continues as a core principal of our company today.

1982



The IRS officially defines rules for the 401(k) plan.

In the years that follow, large employers offer these plans as supplements to defined benefit plans (also known as pensions) rather than as stand-alone plans. Since that time, IRAs have grown to become the most common employer-sponsored retirement plan in the United States and a substantial part of our business.



Inc. Magazine names Private Ledger one of the 500 fastest growing private companies in the United States.



Private Ledger is sold to San Diego-based American Principal Holdings.

To finance the purchase, American Principal borrows \$9 million from Crown Life and puts up Private Ledger as collateral. After the sale is completed, Bob Ritzman and Al Monahan agree to stay with the company for a couple of years to assist with the transition.

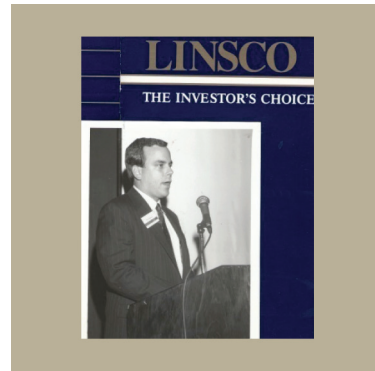
1984



Crown Life Insurance Company acquires Private Ledger.

Private Ledger, with more than 700 advisors in about 250 offices, is acquired by Crown Life Insurance Company after American Principal's holding company effectively defaulted on the \$9 million loan from Crown.

1985



Todd Robinson, 28 years old, buys Linsco. He sees an opportunity "to provide a place to land for reps who were, as I had been, dissatisfied with the product bias at other brokerage firms and looking to run their own shop."

After launching his career in financial services in 1981 as a broker with Smith Barney, Todd Robinson soon becomes one of the youngest reps in the company's history to be promoted to vice president. "While I was there, I was asked to find a buyer for a small brokerage firm," he says. "After I looked at it, I said that I wanted to be a bidder instead." Despite his success at Smith Barney, Robinson is increasingly aware of the conflicts of interest in his position and finds it difficult to be objective. He tells his colleagues he is going to look for other opportunities. Five or six months later, he discovers Linsco and begins building out his vision of an organization supporting conflict-free financial professionals focused on providing independent advice to their clients.

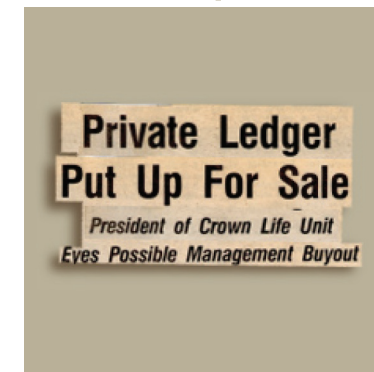
At its peak, Linsco carries licenses for several thousand agents. However, the stock market crash of 1973 causes this base of reps to collapse as insurers flee the securities business. Linsco, which in 1985 is a small broker/dealer with fewer than 30 reps and whose founder has passed away, is unremarkable at first glance. However, it does have two valuable attributes: a substantial computer system and licensing in every state. "I realized this was a perfect opportunity," Robinson says. "This was the mid-1980s, when DOS was coming out and dial-up modems were becoming available. Thanks to new technology, reps were going to be able to set up their own branch office where they could have all the resources formerly available only through a wirehouse." At the time, the few large independent broker/dealers are staffed primarily by former insurance agents. Robinson believes he can appeal to wirehouse reps with the opportunity to have their own office and build equity in their business.

For about \$500,000, largely funded from a combination of his Smith Barney savings and a promissory note, Robinson buys Linsco, setting the stage for the evolution of LPL Financial as an independent broker/dealer offering advisors state-of-the-art technology to help them build a successful practice.

1986

1987

1988



The Tax Reform Act of 1986 is passed.

Tax reform is a windfall for Linsco. As the logic of the market shifts away from tax avoidance, hundreds of oil and gas partnership salesmen arrive on Linsco's doorstep determined to make the shift with an established product line. "Between the beginning of 1986 and the beginning of 1988, we probably put on 400 people," says Todd Robinson.

The Tax Reform Act of 1986 affects the due-diligence environment for all broker/dealers, eliminating tax deductions and tax credits for certain investments on a retroactive basis. This change creates havoc in the marketplace, as clients not only lose their investments, but also have to recapture the tax write-offs and pay the tax—a one-two punch.

On the positive side, advisors and clients start to review other investments and the product mix starts to change. Mutual funds and fixed income investments are on the rise and advisors begin to ask questions about these products. The firm-wide initiative of training begins and is led principally by due diligence, which starts to look more like the research of today. The other change is that Linsco, based in Boston (the home of the mutual fund), is already in the process of analyzing mutual funds and performing portfolio construction. This analysis becomes a key addition to the entire firm and also a unique recruiting advantage in the industry.

The Patriots Club is formed.

The first Patriots Club meeting is held in February on Paradise Island in Nassau and requires \$175,000 in production to qualify. Thirty-three advisors attend. The award, a profile of an American revolutionary etched in crystal by Tiffany's, was the perfect expression of the independent spirit of the honorees.

As a result of programs like the Patriot's Club, "advisors first started to think of themselves as part of a firm," notes Jim Putnam, who joins Private Ledger out of Dean Witter in 1983 and heads marketing. To this day, our advisor conferences provide opportunities to network and to exchange ideas directly with LPL Financial leaders.

The stock market crashes on Black Monday.

Private Ledger, with 673 advisors in 352 offices, is offered for sale in April.

On Monday, October 19, the Dow Jones Industrial Average loses almost 22% in a single day, making Black Monday one of the most notorious days in recent financial history. Because Linsco has no inventory of securities and does not make markets in stocks, the company has no exposure or risk to its capital base during the crash.

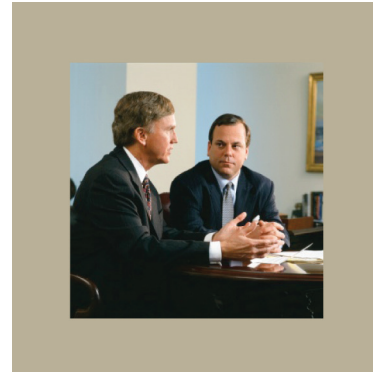
Many large firms dismiss brokers or cut commissions to 25% after the stock market crash. According to Registered Representative magazine, these displaced advisors contributed to the rapid growth of independents from 6,500 in 1988 to 13,500 in 1991.

1988

1989



PLUS, a new Private Ledger computer system that replicates wirehouse systems, is built for \$1 million. PLUS enables advisors to access the client database via a dial-up modem.



Todd Robinson engages Dave Butterfield, a businessman with financial services and technology experience, and together they consider acquiring Private Ledger.



LPL Financial Services is formed from the merger of Linsco and Private Ledger.

As Private Ledger goes on the market, the firm attracts interest from Boston. “In 1988, I was trying to get Robinson to distribute my mutual funds,” recalls Dave Butterfield, “and as it developed, he began talking to me about investing in his business.” Butterfield had spent much of his career on the cutting edge of the fledgling microcomputer and networking industries before spending two years as head of systems for nascent mutual fund giant Fidelity. More recently, Butterfield had launched a family of mutual funds using technology to allow financial planners to “private label” funds run by third-party investment managers—a model suggestive of some of the platforms later developed by LPL Financial that employ outside managers.

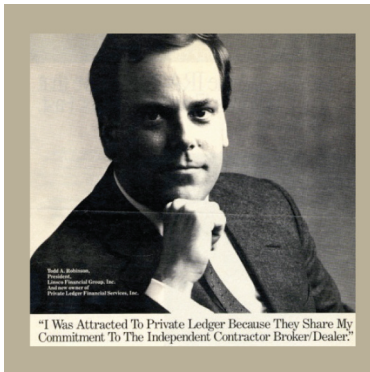
The two men begin to envision a partnership that will leverage Robinson’s investment industry acumen and instinct for motivating investment representatives alongside Butterfield’s operational expertise and understanding of the intersection between the securities industry and the burgeoning information systems field. After a year-plus on the block with no significant offers (other than the current management team), Robinson, president of Linsco Financial Group, and Butterfield, who would become chief operating officer of Linsco/Private Ledger, begin to look seriously at acquiring Private Ledger and its new technology.

In January, Todd Robinson and Dave Butterfield visit Private Ledger’s offices to assess the operation. While Private Ledger had experienced challenges related to the unwinding of American Principal and the demise of the limited partnership market, it retains a solid core of successful independent advisors and a strong back office.

Linsco offers to buy Private Ledger from Crown for \$3 million—essentially equal to the amount of cash in Private Ledger’s coffers. Much of this is in the form of a note held by Crown. As collateral, Robinson puts in Linsco and its \$10 million in annual revenues. An “earnout” based on the new, combined firm’s profits over the following five years can raise the value of the offer to more than \$11 million. Despite the uncertainty of the earnout, Crown accepts the offer and, on April 20, Robinson and Butterfield fly to New York to ink the deal.

After closing the transaction, Robinson and Butterfield take a red-eye to San Diego and walk into the offices of Private Ledger. Four positions need to be filled immediately: chairman, president, CEO, and COO. A name for the new company needs to be chosen. The combined firms have over 700 representatives, with about 200 in Boston and the remainder primarily in Southern California. A chapter in the history of Private Ledger has concluded, a new era in the securities industry is dawning, and the stage is set for the independent advisor business model to support explosive growth. As it develops, Crown will be paid the full amount of the earnout.

1989



“I offered the most attractive package to Crown Life because I believe there is long-term value in this newly consolidating segment of the securities industry.” Todd Robinson acknowledges that he would be interested in additional acquisitions “under the right circumstances.”

1990s

1990



The first national conference is held in Palm Desert, CA.



The Financial Institution Services department is formed.



Commitment Creed is penned by Todd Robinson.

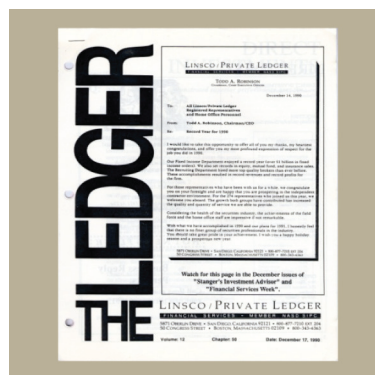


Linsco/Private Ledger joins the Securities Industry Association, which is the principal trade association and lobbying group for broker/dealers.

Now that Linsco and Private Ledger have merged, the firm is in the process of defining its goals and mission. To help reassure customers that they will continue to have the same high level of service that they experienced prior to the merger, during a plane trip, Todd Robinson creates the concept for the firm's Commitment Creed, writing the details on a napkin. The goal of the Commitment Creed is to make it clear to customers that they are the purpose of the firm's work and are not an interruption of it.

After producing a more formal version of the Commitment Creed, Robinson walks around the office and personally gives a copy to every employee of the firm. With the Commitment Creed in hand, employees have an illustration of the important role they play in fulfilling our mission and in bringing success to our customers.

1991

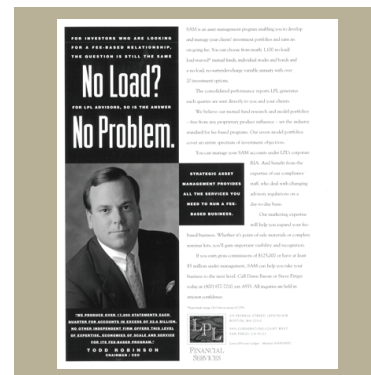


The Ledger newsletter provides product information, marketing tips, and industry news to advisors.

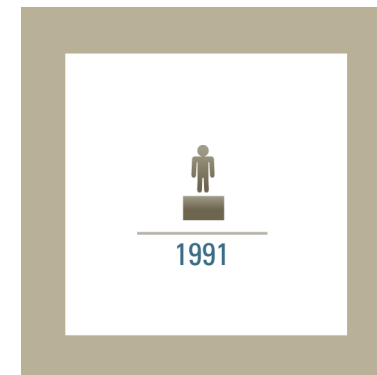
Our company is built by focusing on advisors in suburban and rural parts of the United States and supporting them with the best available technology, independent research, marketing, and training.



The Chairman's Club is established to honor the top-10 producers from 1990. The first Chairman's Award is presented at the Patriot's Club meeting in Maui.



Strategic Asset Management (SAM), one of the first mutual fund wrap programs, is launched by Linsco/Private Ledger.



LPL Financial Services supports 1,175 advisors.

During a roundtable discussion, an advisor asks Todd Robinson if Linsco/Private Ledger can figure out a way to package mutual funds together in a single account and charge clients an annual fee based on assets rather than commissions. In November, Strategic Asset Management (SAM), one of the first full-blown mutual fund wrap programs, launches. SAM experiences tremendous success, but at the time is “very controversial,” recalls Jim Putnam, then vice president and national sales director. “Not one load group wanted to let us use their funds.” Not to mention that pulling together dozens (and eventually thousands) of outside funds into a single account also require significant systems development. There are legal issues, as well, and LPL needs to form a registered investment advisor (RIA) in order to offer SAM.

True to the firm's culture of expert execution, once the decision is made in April to develop the platform, all of these threads are pulled together in not much more than six months.

An early advertising campaign for SAM reads, “No Load? No Problem.” Robinson remembers being booed at an industry meeting during this time. LPL will go on to create a number of other fee-based platforms and make this approach a lynchpin of its growing business. “By promoting fee-based management, we gave clients with as little as \$25,000 ongoing advice and the ability to reallocate assets without paying a commission. What the rep got was a profession,” Robinson says.

1992



A new LPL Financial Services logo debuts.



Bill Dwyer joins Recruiting as VP, Midwest.



The LPL Financial Services Research Department is created.



LPL Financial Services supports 1,373 advisors.

LPL Financial Services creates a dedicated research department, designed as an accompanying service to our Strategic Asset Management (SAM) mutual fund wrap program. As advisory assets grow, advisors are turning to Research for recommendations on funds, asset allocation, non-equity correlated assets, and client communication. In addition, the number of requests for Research staff to speak at client events soars. Research becomes such an important recruiting tool that home office visits include a session with our research experts. As advisory assets grow, advisors are turning to our Research Department for recommendations on funds, asset allocation, non-equity correlated assets, and client communication. In addition, the number of requests for research staff to speak at client events soars. Research becomes such an important recruiting tool that home office visits include a session with our research experts.

1993



LPL revenues break \$100 million.

The independent business model pioneered by Linsco and Private Ledger continues to grow in popularity. In an advisor poll conducted by *Financial Planning on Wall Street* magazine, 54% of the 450 respondents say they'd be willing to leave their current affiliation and build an independent advisor practice.

1994



The Oracle Commission and Registration system is implemented, automating processing of commissions from all product sources including mutual funds, annuities, partnerships, and our clearing firm, Pershing.



The Boston headquarters expands, doubling its office space.



SAM assets reach \$1 billion in the first quarter.

“What changed the world for us, more than anything else, was the internet,” Robinson says. A dedicated T1 line (a telephone cable that provides high-speed internet access) is a great way to hook up an office of 30 reps with access to market data; however, at a cost of \$5,000 to \$10,000 a month, it isn't a feasible means of serving a stand-alone rep in 1993. As the internet becomes more robust, it will become possible to send large amounts of data in an instant to most areas of the country for a negligible cost. Personal computing, along with growth in the speed and capacity of the internet, makes it increasingly cost effective to distribute information to and do business via small remote offices.

With this backdrop, in the early 1990s, Robinson and Butterfield begin to lead Linsco/Private Ledger in a drive to give every freestanding office the ability to access information and process business like a wirehouse broker. “A number of us, including Jim Putnam, came from Wall Street, while many of our competitors came from the insurance side of the industry. I think we had an advantage in understanding the value to reps of real-time data,” Robinson says. “We almost couldn't believe that for \$20 a month, we could provide a rep anywhere in the country with a workstation as good as any in the industry.” Being an early adapter of the internet would prove pivotal to the fortunes of LPL.

1995



LPL Financial Services supports 1,846 advisors and 101 institutions.



During Kids Week, Todd Robinson and volunteers from our San Diego office host 300 disadvantaged youth for a Padres game and catered barbecue, beginning LPL Financial's involvement with Big Brothers Big Sisters as a corporate citizen.

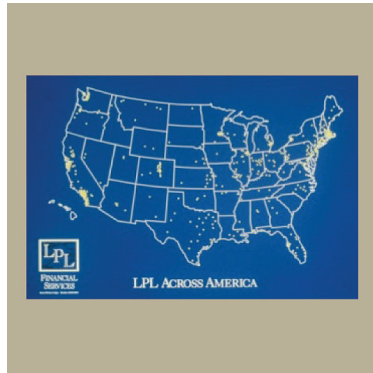


SAM assets reach \$2 billion.



A national sales and marketing conference attended by 500 advisors offers 133 breakout sessions. Caspar Weinberger, former Secretary of Defense, delivers the keynote address.

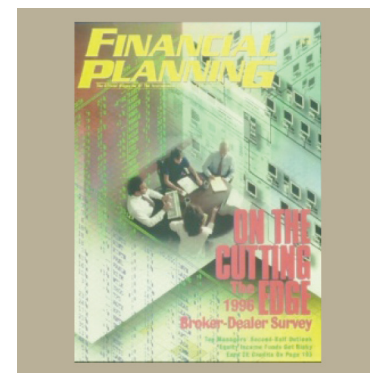
1996



LPL Financial advisors are in 1,000 branch offices in all 50 states.



LPL Financial Services supports 2,191 advisors and 136 institutions.



Linsco/Private Ledger Corp. is named by *Financial Planning* magazine as the largest independent broker/dealer in 1995, as measured by the number of affiliated registered representatives and gross revenue.



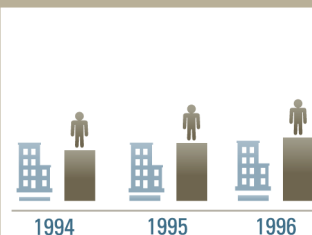
Customized advisor websites are introduced.

INDEPENDENT ADVISORS GROUP

LPL creates Independent Advisers Group (IAG) to private label the LPL SAM program for the captive field forces of seven insurance companies. IAG has over \$707 million assets under management with 4,000 client accounts and provides premier fee-based investment platforms.



Esther Stearns joins LPL Financial Services as chief information officer. She comes to us from Charles Schwab, where she worked for 14 years in a variety of leadership roles that included information technology, operations, managing surveillance, internal control, and credit.



LPL Financial Services supports 2,188 advisors and 159 institutions.



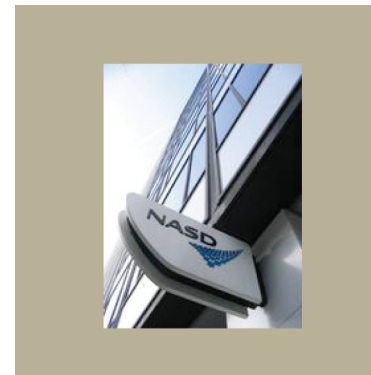
LPL breaks ground on new West Coast headquarters in San Diego on October 28. Two buildings totaling about 126,000 square feet will be built on seven acres near the beach.

STRATEGIC ASSET MANAGEMENT

The six-year-old SAM program, recognized for its innovation, manages \$2.2 billion more in mutual funds than its closest competitor. The SAM program hits \$5 billion in assets.



Our first national consumer ad campaign airs.



Todd Robinson is the first independent brokerage executive elected to serve as chairman of NASD Regulatory Board.



LPL Financial Services supports 2,466 advisors and 179 institutions.

Given the less-than-universal enthusiasm for the direction LPL Financial Services is moving the industry with its focus on fee-based management and lack of proprietary products, it is something of a benchmark when Todd Robinson becomes involved at the highest levels of industry self-governance. Robinson serves seven years on the NASD board of directors and five years as chairman of the NASD's Regulatory Board. "Given the growth of LPL and other independent firms, and the way the internet was changing our business, it was critical to have the independent perspective represented," Robinson says.

Robinson clearly believes in the benefits of regulation to the advisor's business. "Today, investors are willing to place their life's savings with relatively small firms, without fear that they'll lose all their money. A great deal of that trust and confidence, I feel, stems from the regulatory framework in place in the securities industry."

1998



Bearing the internationally recognized symbols of financial trading—the bull and the bear—this iconic sculpture is commissioned from artist A. Wasil for the limited-edition Chairman's Award. A 20-foot-tall replica is placed in the courtyard of the San Diego campus.



BranchPlus, an internet-based broker workstation, is introduced.



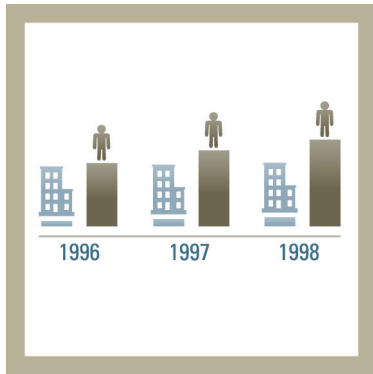
Our proprietary research is available to advisors online via BranchLink.



Plazas 1 and 2 of our new San Diego campus open on Towne Centre Drive.

BranchPlus is a new generation of LPL technology for online trading, research, product information, and account and operations information. Introduced in March at the Patriot's Club conference, it represents the first step in paperless trading. New accounts may be opened by entering account data onscreen and emailing the home office. BranchPlus is a \$5 million Windows-based system designed to help LPL representatives automate and streamline their business.

1999



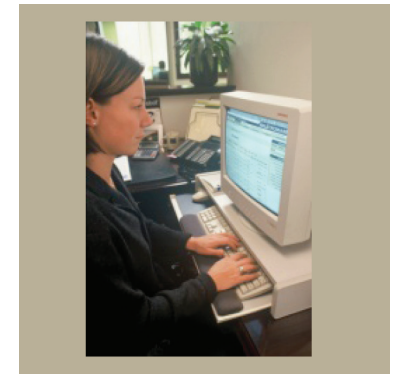
LPL Financial Services supports 2,757 advisors and 203 institutions.



A new LPL Financial Services logo is introduced.



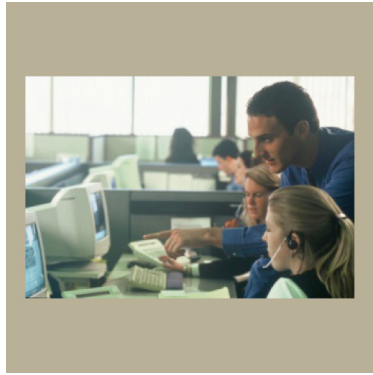
Manager Select is introduced to provide advisors with access to institutional money managers at reduced investment minimums. This separate account platform allows the firm to recruit wirehouse advisors who want to use outside managers.



BranchNet launches as an online workstation that enables advisors to perform all routine branch functions such as accessing client account information, placing trades, and confirming transactions. BranchNet continues to be enhanced on an ongoing basis, with new functionality added most years.

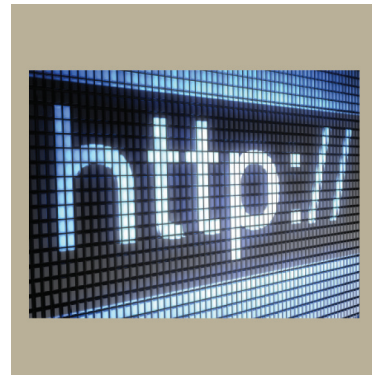


Online Weekly Market Commentary is introduced.



The service center is formed to provide operational support in Advisory, Brokerage, Compliance, Direct Business, New Accounts, Retirements, and other customer-support functions, revolutionizing service in our industry.

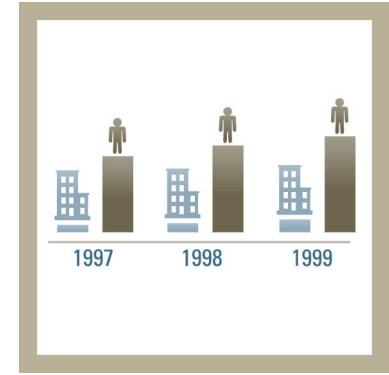
For the first time, advisors have a single place to call rather than needing to contact individual departments for information. The service center, with its highly regarded capabilities, is immediately recognized as one of the most efficient in the industry.



Financial Institution Services offers branded websites.



The Barnett Bank Supreme Court case and the Gramm-Leach-Bliley Act of 1999 allow banks to engage in insurance sales. This landmark legislation paves the way for banks to offer a full range of financial planning tools at a time when LPL is beginning to grow as a provider to institutions. This legislation is viewed as an important milestone in the growth of the firm's institution services business in the future.



LPL Financial Services supports 3,010 advisors and 248 institutions. The firm's assets under management jump 67% over 1998.

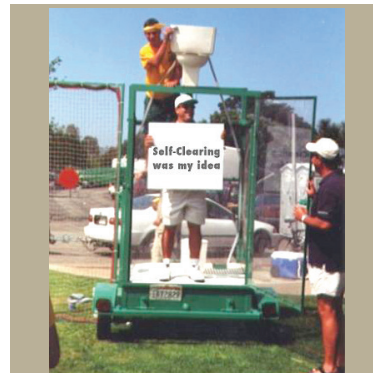
2000s

2000

2001

STRATEGIC ASSET MANAGEMENT

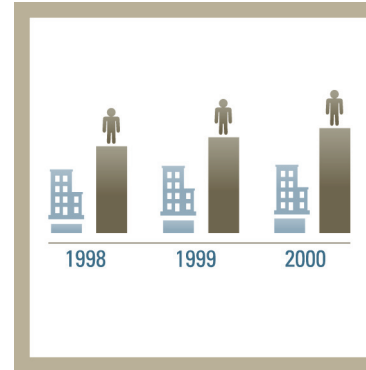
Our flagship Strategic Asset Management (SAM) program, with total assets of \$15.4 billion, is the largest fee-based asset management program among independent broker/dealers.



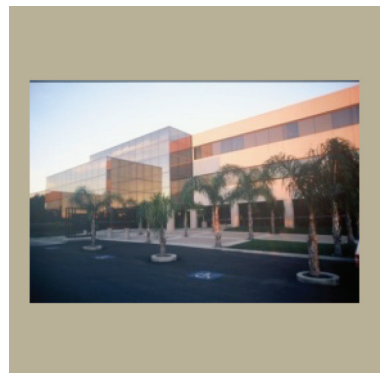
LPL Financial becomes self-clearing.

No technology initiative is more significant to our firm than our move in 2000 to become self-clearing, the largest conversion to self-clearing in securities industry history, encompassing some 440,000 accounts and taking more than two years to accomplish. The self-clearing conversion is a challenging process, requiring countless hours of effort. To make light of the situation, during a company picnic Todd Robinson holds a sign saying "self-clearing was my idea" while serving as the target in a "royal flush" dunk tank.

In all seriousness, Todd Robinson views self-clearing as "an obvious decision" for LPL. "Our competitors didn't have a BranchNet. We stood to gain more than other firms because we had already done the tough part," having built a powerful and flexible front-end system for advisors to process business. On the back end, self-clearing gives LPL complete control over processing



LPL Financial Services supports 3,458 advisors and 281 institutions.



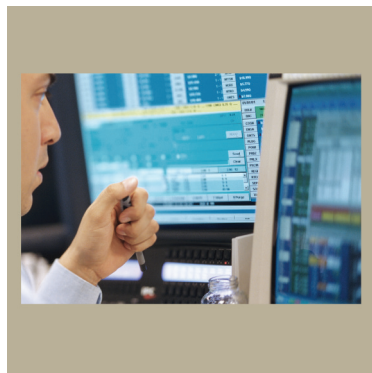
Our West Coast service center opens as operations, trading, and service units are consolidated into a renovated 120,000-square-foot building in San Diego.

from start to finish. Self-clearing also gives us the ability to tailor to an extraordinary extent the way client information is presented to advisors. This is especially significant for LPL as an independent firm, because the clearing industry has historically developed "client views" with the needs of traditional brokerage houses, not advisors or clients, in mind.

Another important outgrowth of self-clearing is seen in our platform development: self-clearing makes it much easier for LPL to build upon our early success with SAM by creating additional, increasingly complex platforms that also leverage asset allocation seamlessly across investment vehicles. These platforms have made it attractive for a growing proportion of advisors to "outsource" investment management, freeing them to spend the bulk of their time building relationships and helping clients plan to meet their goals.



LPL Express allows advisors to use email to process routine service requests.



The Block Trading Desk opens for orders of 5,000 shares or more.



The Portfolio Review Tool (PRT) is introduced.



AccountView is introduced, allowing clients to view their account information on the internet.

2002



LPL BRANCHNET

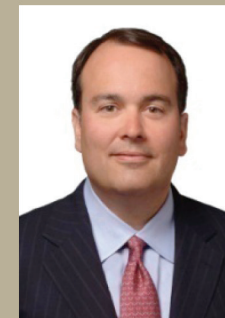
BranchNet goes online, providing instant access to accounts, products, and services.



On September 11, terrorists fly two commercial jets into the World Trade Center's twin towers and one into the Pentagon, the U.S. Department of Defense headquarters. A fourth airplane crashes in Shanksville, PA.



LPL Financial Services supports 3,851 advisors and 300 institutions.



Mark Casady, former managing director of the Americas for Deutsche Scudder Asset Management, joins LPL as chief operating officer.

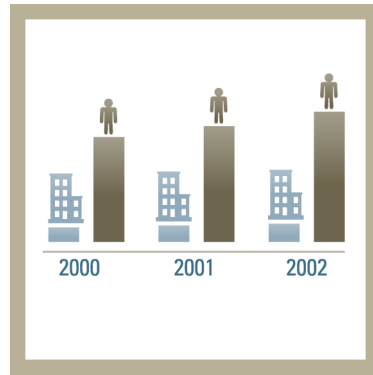
The year 2001 presents one of the most challenging operating environments in our history. Yet despite the turmoil created by the tragic events of September 11, an economic recession, and a major market correction, LPL remains strong, even achieving solid growth in core business areas. As others in the financial services industry, LPL is affected by the volatility in the market and we see a 9% decline in revenues from 2000. However, that decline is less than half of the 19% decline experienced by the overall securities industry.

Congress passes the USA Patriot Act in response to the terrorist attacks. This new law places significant responsibility on broker/dealers and advisors to prevent money laundering. LPL responds swiftly, implementing new monitoring procedures and developing anti-money-laundering (AML) training for advisors.

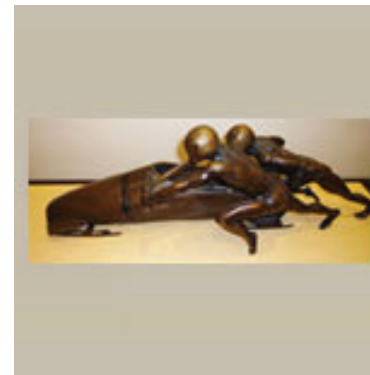
2003



Account Browse is introduced, giving advisors online access to client account information.



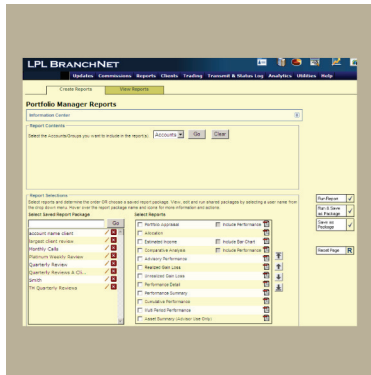
LPL Financial Services supports 4,315 advisors and 350 institutions.



LPL sponsors the United States' women's two-person bobsled team for three years leading into the 2002 Winter Olympics in Salt Lake City, Utah. Athletes Jill Bakken and Vonetta Flowers earn the U.S. gold that year. Vonetta also makes history by being the first African-American to ever win a gold medal at the Winter Games. LPL's support is commemorated with a model sled in 2003.



Optimum Market Portfolios (OMP) is launched as a mutual fund platform that combines sophisticated asset allocation models, best in class money managers, and automatic portfolio rebalancing.



Portfolio Manager is introduced to provide clients with complete performance information on brokerage and advisory accounts.



Mark Casady becomes president.



The Private Trust Company is purchased to provide high-quality, professional trust services, including custody, trust administration, and tax preparation for high-net-worth clients.

Though many brokerage companies offer trust services, LPL's offering is unique because it automates the link between brokerage and trust systems. Automation makes our trust system more efficient. During the first 10 months following the acquisition, Private Trust Company assets rose 35%.



LPL Financial Services supports 5,023 advisors and 380 institutions.

2004



The Phoenix Companies' broker/dealer operations (WS Griffith Securities and Main Street Management) are acquired, boosting LPL's broker ranks and offering Phoenix the chance to sell its products through the LPL Financial network. Griffith has 800 advisors.



LPL Insurance Associates, Inc., is introduced after having been acquired through WS Griffith, making available insurance products from multiple carriers.



Fee-based advisory accounts increase by 50% over 2003 in a "bull market for advice."



Document imaging technology allows advisors to retrieve client documents through BranchNet.

2005

INVESTMENT PRODUCTS DESK

The Investment Products Desk (later becoming Advisory & Brokerage Consulting) is formed in San Diego.

LPL BRANCHNET

BranchLink is redesigned around functional topics and renamed the BranchNet Resource Center.



LPL Financial Services supports 5,879 advisors and 396 institutions. LPL reaches \$100 billion in total assets under management and over 1 million client accounts.



TPG

LPL Financial Services sells a 60% ownership for approximately \$2.4 billion to two private equity partners: Hellman & Friedman LLC and Texas Pacific Group. LPL Investment Holdings, Inc., is formed.



Fast Forward is introduced to offer advisors a wide variety of training options.

Optimum Annuity Portfolios

Personal Wealth Portfolios

Optimum Annuity Portfolios (OAP) and Personal Wealth Portfolios (PWP) are introduced.

LPL Financial introduces Optimum Annuity Portfolios, a packaged variable annuity platform that combines asset-allocation portfolios. Leveraging the expertise and resources of LPL Financial Services Research, Personal Wealth Portfolios (PWP) serves as a wealth management solution for high-net-worth clients.



Founder Todd Robinson retires and becomes chairman emeritus. His designated successor, Mark Casady, becomes CEO and chairman.

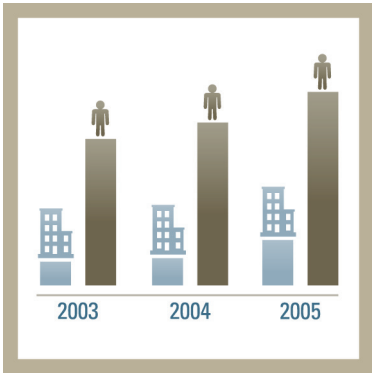
During this period, co-founder and vice chairman Dave Butterfield retires. Jim Putnam, also a co-founder, remains vice chairman and serves on the board of directors of LPL Investment Holdings, Inc.

“Given LPL’s growth over the years, making a transition from individual to institutional ownership was inevitable,” says Mark Casady, who joined the firm as chief operating officer in 2002 and became president the following year. Casady and Robinson seek to manage this process proactively and in the interests of all of the firm’s stakeholders. Following an extensive due-diligence and bidding process, investment affiliates of Hellman & Friedman LLC and Texas Pacific Group (TPG), two leading private equity firms, both strongly commit to maintaining the independence of the firm and agree to become majority investors in LPL. The transaction is completed on December 28.

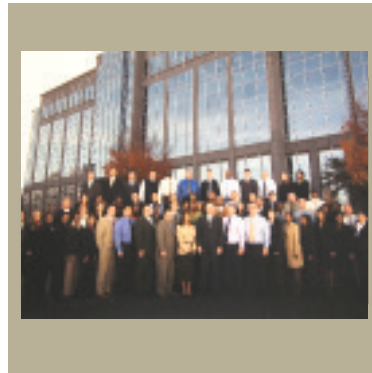
STRATEGIC ASSET MANAGEMENT

SAM ticket charges for automated equity trades are reduced from \$25 to \$15.

2006



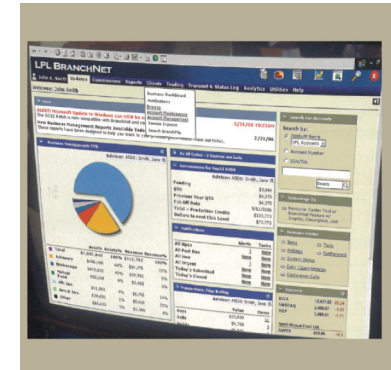
LPL Financial Services supports 6,481 advisors and 394 institutions. Our advisors serve over 2 million clients.



A new headquarters location in Charlotte's Coliseum Centre is announced, providing bicoastal customer support to our advisors. Employees move into the new building in November.



The Invest in Others Charitable Foundation is established by LPL to support the philanthropic activities of financial advisors across the industry.

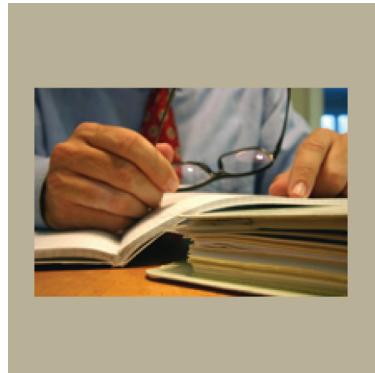


BranchNet iDoc, a new compliance-approved document-management service for advisors, paves the way to a paperless office.

Over the years, LPL Financial consistently noted its financial advisors' remarkable generosity and commitment to helping others in their local communities. Invest in Others begins as the theme of the 2006 national conference and is conceived as a way to recognize and celebrate that philanthropy. Inspired by advisor stories heard during the conference, Mark Casady proposes the creation of a foundation to support advisors from all broker/dealers who demonstrate an exceptional commitment to leadership and service of others. Outstanding advisors are recognized by the Invest in Others Charitable Foundation at the annual Community Leadership Awards event held each fall.



The WealthVision platform is introduced to integrate financial planning and wealth management.



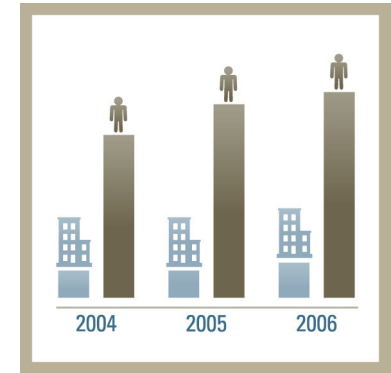
The Research Department expands.

To allow far-flung advisors to compete on an even playing field with wirehouse reps, it is essential to give them access to timely, in-depth, independent research on mutual funds, separate accounts, alternative investments, asset allocation strategies, financial markets, and the economy. Between 2005 and 2006, our world-class Research Department grows from 22 to 30 employees, reflecting the movement of top industry talent to the unbiased, conflict-free investment environment of LPL Financial Services. All published research analysis, commentary, and recommendations are available to representatives 24/7 via their desktop.



The Business Development Department (later named Business Consulting) is formed.

Business Development is created to enhance advisors' productivity and to serve as a voice and advocate for advisors within the firm. One Chairman's Club advisor said, "For advisors, it's very important to help us with issues that cut across department lines at LPL. The Business Development Department has demonstrated a personal, client-centered approach to helping us grow our business by listening to our individual needs and responding accordingly."



LPL Financial Services supports 7,006 advisors and more than 400 institutions.

2007



UVEST Financial Services is acquired.

With the purchase of UVEST Financial Services, LPL Financial Services adds advisors from more than 300 regional and community banks and credit unions in over 40 states. The acquisition also results in a second location in Charlotte, NC. Together, the LPL institution services division and UVEST make LPL Financial Services the nation's largest provider of third-party investment services to banks and credit unions.



The LPL@Work intranet site launches to connect employees to important company news and information about our business.



LPL Financial Services begins providing clearing services for 4,500 advisors of AXA Advisors.

"We've found a whole new source of growth," says Mark Casady, noting that the expected revenue stream from the commissions processing for AXA Advisors is about \$150 million.



Three broker/dealers—Mutual Service Corporation, Associated Financial Group, and Waterstone Financial Group—are acquired from the Pacific Life Insurance Company in June.

Collectively, these broker/dealers support over 2,000 financial advisors serving retail clients and generating \$375 million in revenues. The organic growth that LPL Financial Services experienced over many years is accelerated by a series of strategic acquisitions in 2007. These acquisitions give LPL, already the largest independent broker/dealer, the scale needed to ensure the firm's continued independence.

Mark Casady explains that "part of what we sought to do with scale is give ourselves options. Think about the way the world works for companies that have more resources versus companies that have fewer resources. In every industry—it doesn't matter what size it is, you can make steel or you can be a broker/dealer—middle-sized companies don't do well. Large companies do well and small companies serve a niche and are fine."



LPL Financial Services enters into an institutional transfer agreement with Vision Investment Services, Inc.



LPL Financial Services enters into an institutional transfer agreement with XCU Capital Corporation, Inc., bringing 23 credit unions to the LPL platform.

With these institutional transfer agreements, LPL purchases the existing relationships with banks and credit unions. A new advisory council is created to support the specific business needs of our credit union customers.



Model Wealth Portfolios (MWP) is launched as a discretionary mutual fund asset-allocation platform that provides advisors with a direct translation of the LPL Financial Services Research proprietary strategy.



LPL Financial Services acquires the Independent Financial Marketing Group, Inc. (IFMG), from Sun Life Financial.

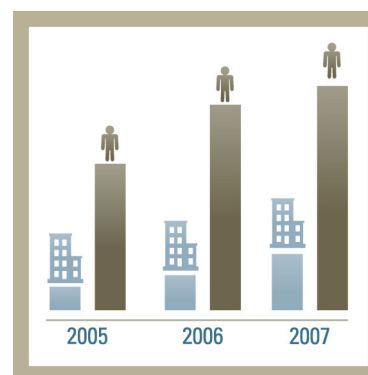


Esther Stearns, COO since 2004, is named president of LPL Financial Services. Esther is instrumental in building and packaging the Custom Clearing Services offering to provide back-end support services to broker/dealer organizations.



Payouts for top-producing advisors are raised from 92% to 98%.

During the national sales and marketing conference held in San Diego in 2006, LPL Financial Services announces that, effective January 1, 2007, payouts for top-producing advisors will be raised from 92% to 98%. This change provides every advisor with the opportunity to achieve the highest level of payout as their business volumes grow.



LPL Financial Services supports 11,089 advisors and 717 institutions. The firm gives advisors \$15 million more in production bonuses than in the previous year.



LPL Financial Services introduces an integrated advisor solution platform supporting independent registered investment advisors (RIAs) and hybrid (dually registered) advisors

The launch of a platform for registered investment advisors is a major milestone, as it marks our entry into a virtually untapped market during a time when interest in the RIA model is at a peak. Our firm supports two RIA business models: hybrid advisors, who manage advisory assets under their own RIA with LPL acting as custodian; and fee-only RIAs that do not conduct any brokerage business and no longer have an active Series 7 license. For these RIAs, LPL acts as asset custodian.



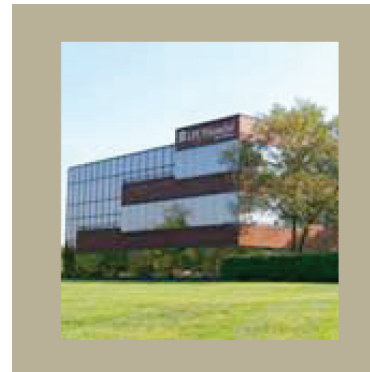
A new LPL Financial brand is introduced and Linsco/Private Ledger Corp. (LPL Financial Services) changes our name to “LPL Financial.”



Three new business units are created to align with our distinct distribution channels: independent advisors, financial institutions, and other broker/dealers.

As a diversified financial services company, we serve three distinct customer groups: Independent Advisor Services meets the needs of financial advisors at every stage of their career. Institution Services focuses on the needs of banks and credit unions. Custom Clearing Services works with leading financial services companies.

By tailoring our programs and services to the unique needs of our partners, we help them to stay focused on their core areas of expertise while enabling them to provide outstanding service and strategies to their clients.



The Charlotte 2 office opens on Parkway Plaza Boulevard on August 18.



On September 15, global markets reel when two famous Wall Street firms become the latest victims of the rising credit crunch.

During the fall of 2008, Lehman Brothers, the leading investment bank in the United States, files for bankruptcy and brokerage firm Merrill Lynch is bought out by Bank of America. Stock prices plunge in Asia, Europe, and the United States.

LPL Financial responds quickly to the market turmoil, implementing a strategic business review to bring firm expenses in line with anticipated earning reductions. At the same time, we began to evaluate and closely monitor risks related to trading partners, product providers, and cash placement. The firm weathers the financial crisis without experiencing a significant disruption on any of these fronts.

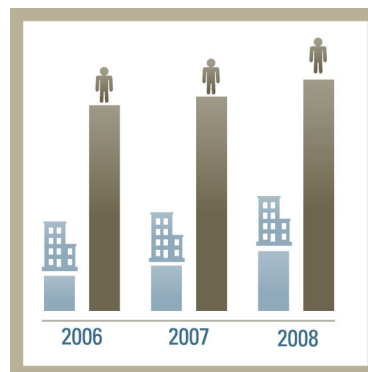
The need for independent, objective advice delivered by local business owners and financial institutions is more evident than ever. A daily morning call with the Research team is implemented to provide timely perspective on market conditions, opportunities, and areas of concern. Operation Handhold is introduced as a series of communications designed to enable advisors to help clients move past emotion to meaningful planning conversations that are critical to their financial future.



Our community relations mission and Employee Volunteer Corps are established.



SAM ticket charges are reduced from \$5.50 to zero for fully participating mutual funds and lowered from \$13 to \$4.50 for partially participating mutual funds.



LPL Financial supports 11,920 advisors and 767 institutions. Our 2008 revenues of nearly \$2.6 billion more than double those of Raymond James, our firm's closest competitor in the independent space.



Mark Casady, chairman and CEO of LPL Financial, is named to the board of governors of the Financial Industry Regulatory Authority (FINRA).

Our first community relations mission is designed to create consistency and focus for our philanthropy efforts and to engage employees in our corporate citizenship. Our mission is achieved through an integrated program of corporate giving and employee volunteerism.

The Employee Volunteer Corps is established to lead a year-round schedule of volunteer initiatives ranging from school supply and holiday gift drives to home-building and repair projects. We also conduct our first nationwide United Way employee giving campaign this year.



Formerly clearing through Pershing LLC, 1,700 advisors from the three broker/dealers acquired in 2007 (Mutual Service Corporation, Associated Financial Group, and Waterstone Financial Group) are integrated onto the LPL Financial self-clearing platform.



The ASK Research team is formed to address advisors' market and investment questions, including those related to our asset allocation, investment recommendations, and third-party resources.



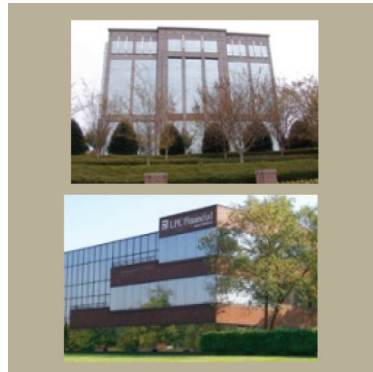
ClientsFirst is launched as a marketing-in-a-box client-acquisition and client-retention program.



Bill Dwyer is named managing director and president of the newly created National Sales & Marketing division. In this role, he is responsible for the management, satisfaction, retention, and recruitment of advisors.

Retirement Plus

The Retirement Plus program is introduced, providing corporate retirement-plan products, recordkeeping, and plan administration services to independent advisors working with clients' employer-sponsored retirement plans.



Employees based in our uptown Charlotte office are moved to the Coliseum Centre buildings, consolidating all Charlotte-based employees in our Charlotte 1 and 2 facilities.

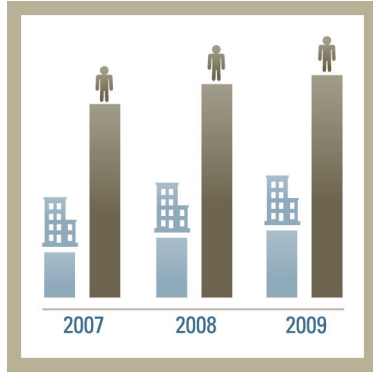


Financial Planning magazine features LPL Financial on the cover of its November issue with the headline "We've Arrived."



Service360, a team-based customer service model, is introduced.

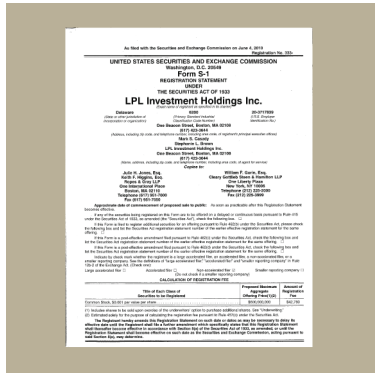
Service360 is developed with the goal of revolutionizing our service delivery through a team-based approach that drives both advisor and employee satisfaction. Service teams are able to deliver timely, accurate service in a more personal, relationship-focused manner resulting in more efficient problem resolution and greater customer satisfaction.



LPL Financial supports
11,950 advisors and 777
institutions.

2010s

2010



An S-1 registration statement is filed with the SEC on June 4 for a long-awaited initial public stock offering.



AdvisorFirst is introduced with tools and resources to help advisors build their business and sustain successful client relationships.



With employee volunteerism and donations at an all-time high, the company establishes the LPL Financial Charitable Foundation.



Financial advisors from National Retirement Partners (NRP) transfer their licenses to LPL Financial, resulting in the creation of LPL Financial Retirement Partners.

Volunteerism at LPL Financial is at an all-time high as employees respond to the needs of communities still struggling to recover from the recession by giving of their time and their resources. Over 550 employees in Boston, Charlotte, Cleveland, and San Diego participate in a combined 215 volunteer events, directly serving 4,325 individuals. Through donation drives and fundraising events, employees also contribute school supplies, canned goods, toys, books, and household items to meet a broad range of community needs.

Echoing employee generosity, the firm donates approximately \$1 million to national organizations and charities headquartered in our home office cities that support our mission in the community. The LPL Financial Charitable Foundation is established as part of our efforts to expand our community involvement over time.

LPL Financial Retirement Partners is comprised of independent advisors that provide plan consulting, fiduciary best practices, and investment due diligence to retirement plan sponsors and their participants as well as comprehensive wealth management tools. Based in San Juan Capistrano, CA, Retirement Partners has 150 member firm offices in 39 states. Through this transaction, 206 former NRP advisors join LPL Financial.



Our registered investment advisor (RIA) program nearly doubles over 2009.



The LPL Financial Political Action Committee (PAC) is formed.

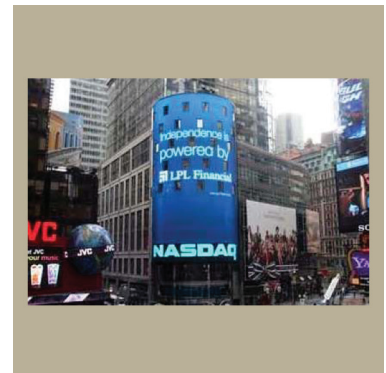
In the midst of the financial crisis of 2008 and 2009, it becomes apparent that sweeping industry reform is on the horizon. To meet this challenge, LPL Financial increases our involvement in the legislative process to ensure that lawmakers and regulators listen to our perspective and understand our position on issues that have a direct effect on our independent business model.

In 2010, our government affairs efforts gain ground with the launch of a new website and political action committee, the LPL Financial PAC. We continue to draft influential and frequently cited comment letters to key legislators and regulators. These efforts enable our employees and advisors to add their voice to the decision-making process in Washington, D.C., and to influence the important legislation and regulation that are shaping the future of our business.



President Barack Obama signs the Dodd-Frank Wall Street Reform and Consumer Protection Act on July 21.

The enactment of Dodd-Frank marks the greatest legislative change to financial supervision since the 1930s, affecting every financial institution that operates in this country and many others around the world. While the Act carries more implications for large, complex financial institutions, no financial services firm is immune to the increasing complexity of the new regulatory framework. As our regulatory environment continues to evolve, LPL Financial lends our voice to the ongoing dialogue, ensuring the needs of our financial advisors and their clients are heard.



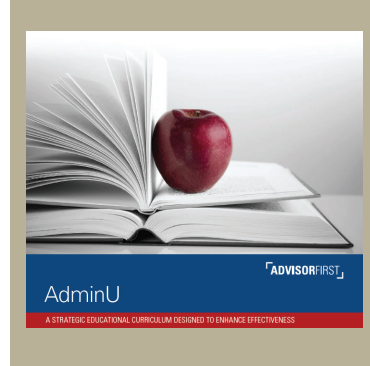
On November 18, the parent company of LPL Financial, LPL Investment Holdings Inc., is publicly traded on the NASDAQ Stock Market under the symbol LPLA.

The "A" in our ticker symbol "LPLA" stands for our advisors; it represents the value we place on them and the advice they give their clients. While the completion of our initial public offering is a milestone event, becoming a public company does not significantly change the way we manage our business. Throughout our history, the areas that have had the greatest impact on our success are the satisfaction of our customers and the commitment of our employees.

2011



LPL Financial supports 12,444 advisors and 756 institutions.



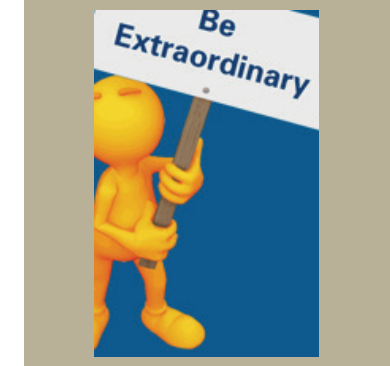
AdminU is launched to help advisors' support staff leverage the wealth of knowledge, resources, and best practices available through LPL Financial.

Under the AdminU program, students acquire the business and interpersonal skills needed to most effectively administer a financial advisor's office; topics include office management, technology, client service, and marketing.



Fee-based variable annuity (FBVA) platform is introduced.

Through the FBVA platform, LPL Financial advisors are able to manage their variable annuity assets within a fee-based relationship and on a discretionary basis, allowing them to efficiently deliver active portfolio management alongside the valued protection features that these products offer. In addition, the platform benefits investors by offering a more streamlined pricing structure.



Extraordinary Service program is introduced to emphasize our continued focus on delivering a great service experience for our customers and for internal colleagues across the company.

Recognizing the importance of sustaining our service culture, LPL Financial launches the Extraordinary Service program with two important tools: Net Promoter Score (NPS) for advisors and the Extraordinary Service training program for employees. NPS, a feedback mechanism that measures the likelihood of a customer to recommend LPL Financial, enables us to address immediate customer issues and identify advisor loyalty drivers. To help employees deliver great service internally and externally, the company offers a training program that includes online learning modules featuring best practices, skills, and characteristics to ensure a consistent service experience. More than 2,300 employees participate in the training in its first year.



LPL Financial announces that we will consolidate UVEST Financial Services onto our self-clearing platform.

This transition creates operational and service efficiencies by leveraging a single integrated platform for all Institution Services customers through our BranchNet technology. Through this process, we convert 142 institutions representing 337 advisors and \$96.2 million in commission and advisory revenues.



Service Value Commitment is coined as the moniker for a continuous firm-wide effort to achieve efficient, scalable, and sustainable growth for our company and reflects our focus on enhancing the customer experience and employee satisfaction.

LPL Financial forms the Service Value Commitment team to manage the firm's internal and customer-facing productivity improvement activities, which include a variety of projects that intersect with multiple areas of the organization. The group works closely with teams across the company to increase efficiency and streamline processes through the application of Lean principles during kaizen events, which are designed to identify improvements and solutions and create better flow in systems. In addition to resulting in \$3.4 million in savings during 2011, the effort leads to improved customer experience and higher employee engagement.



LPL Financial acquires Concord Capital Partners, making the company a leading provider of technology and open-architecture investment management solutions for trust departments of financial institutions.

Through the strategic acquisition of Concord Capital Partners, which later becomes Concord Trust and Wealth Solutions, LPL Financial has the ability to support both the brokerage and trust business lines of existing and prospective financial institution partners. Concord's proprietary software solution, which creates numerous efficiencies in the administration of trust accounts for its clients, is consistent with our approach to providing seamless integration of service offerings to our customers.



Model Wealth Portfolios (MWP) platform is named Advisory Solutions Product of the Year by Money Management Institute (MMI).

Money Management Institute (MMI), a leading national organization for the advisory solutions industry, selects LPL Financial out of nearly 30 nominees, all of which in turn participated in a competitive selection process. The prestigious Advisory Solutions Product of the Year award is granted to the firm that launches the most innovative advisory platform that contributed to the growth of the industry. Our receipt of this award reflects the combination of scale-driven platform innovation and advisor focus that we emphasize as an organization.



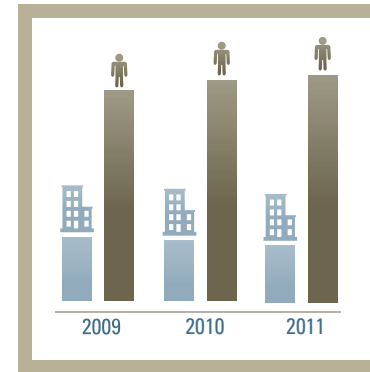
Barron's ranks LPL Financial among "Top 40 Wealth Managers" in the U.S.

LPL Financial debuts in *Barron's* 2011 survey of the "Top 40 Wealth Managers" in the United States, ranking 26th. The annual ranking, which is published in the September 19 issue of *Barron's*, is based on assets under management in LPL Financial accounts of \$5 million or more as of June 30, 2011.



iKnow, online knowledge base application, is introduced.

Created to aid our customer service representatives, this extensive knowledge management system serves as a shared collection of relevant experiences, solutions, and best practices that facilitates greater consistency in response across all of our service and operations teams. iKnow contains more than 700 articles related to retirements and tax season, providing verified responses to 80% of the most commonly asked customer questions.



LPL Financial supports 12,847 advisors and 668 institutions. Advisory assets under management surpass the \$100 billion mark.



LPL Financial expands our presence in the high-net-worth market by acquiring Fortigent LLC, a leading provider of high-net-worth solutions and consulting services to RIAs, banks, and trust companies.



Lift People Locally employee volunteer program launches to enable employees to work together to help individuals and families achieve in life and make a positive impact in our local communities.

Demonstrating the firm's commitment to employee volunteerism, LPL Financial launches a volunteer time off program that gives employees 16 hours of paid time each year to participate in activities that enhance and benefit our communities. In addition, the company invites employees to unite in support of our communities by participating in the first-ever May Serve Days. This effort sets a company volunteer record of the highest number of volunteer projects performed in one month, bringing together a record total of employee volunteers in Boston, Charlotte, Cleveland, and San Diego. Overall, volunteer efforts double from 2011, with one out of every five employees volunteering their hard work and showing a commitment to making a difference.



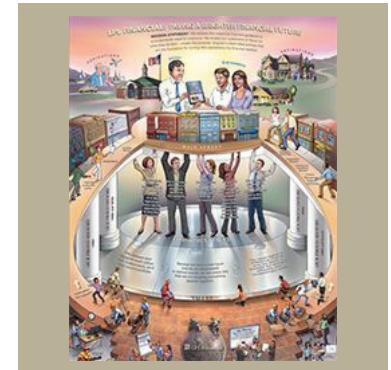
LPL Financial makes company history when we begin construction on a modern and innovative 13-story facility for our San Diego employees.

San Diego employees will be united in a single structure that will more effectively meet employee needs, support employee engagement, showcase new design standards, and incorporate sustainable materials. The new building will feature a full-service cafeteria with indoor and outdoor seating, a range of conference rooms for large and small groups, a fitness center, ample parking spaces, and outdoor walking trails to offer convenience and support for employee well-being. "It's nice to have a space that we can be proud of and a space where we can come every day and see our friends. This is an exciting moment for us," says Mark Casady.



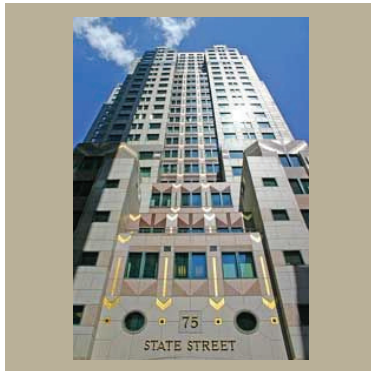
LPL Financial embarks on a multi-year process to transform technology at the firm in order to meet the increasing level of demands in our marketplace. As part of this effort, 49 new technology employees are hired in Charlotte.

Business Technology Services begins a hiring campaign in Charlotte and builds a new technology workspace in the Charlotte 2 office to maximize growth and efficiency. The new customized workspace is created to enable employees to collaborate better, be more productive, and enjoy a more motivating work environment. Features include small meeting enclaves, quiet spaces, and conference rooms equipped with whiteboard walls, integrated audio-visual technology, and reconfigurable tables.



Over 70% of LPL Financial employees participate in *Paving a Brighter Financial Future* dialogues, which foster discussion of our Mission, Values, Commitment Creed, and culture.

With the help of a visual aid, called a learning map, participants discuss how our everyday actions shape who we are as an organization. Employees share their experiences with colleagues from other parts of the business and gain a stronger understanding of how we all work together to achieve our mission. "It is great to see the open communication and active discussion that is becoming a part of our culture and how we interact with each other," says Mark Casady.



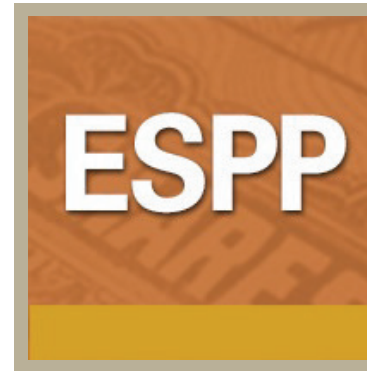
The new Boston office at 75 State Street is completed.

Boston employees move to a new building where they are united on three consecutive floors. The new space incorporates innovative design features and technology to allow the Boston team to work more efficiently and better serve customers. A new broadcast studio in the lobby, a sound-dampening system on the ceilings above each workstation, and a café complete with televisions are just a few of the modern amenities in the new workspace.



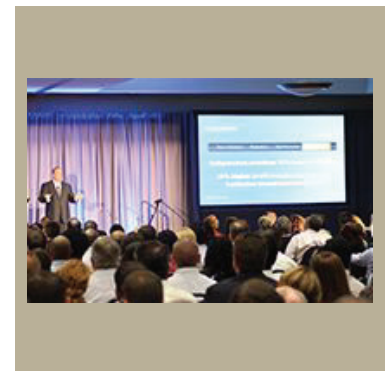
NestWise launches as a new subsidiary focused on offering personal financial advice to the mass market.

NestWise, a registered investment advisor (RIA), is an LPL Financial Holdings Inc. subsidiary and a sister company to LPL Financial that shares the foundational belief that objective financial guidance is a fundamental need for everyone. Developed as an entrepreneurial venture, NestWise is dedicated to providing the mass market with access to high-quality and affordable personal financial advice. Led by Esther Stearns, NestWise chief executive officer, the company works to achieve its mission through the recruitment and development of new-to-the-industry financial advisors and adds more than 1,000 new members to NestWise.com in its first year.



Over 550 employees participate in the inaugural employee stock purchase plan, which enables participants to build ownership stake in our company.

The employee stock purchase plan provides an opportunity to purchase LPLA common stock through convenient payroll deductions. Employees who participate are able to purchase company shares at a 15 % discount with no commission fees.



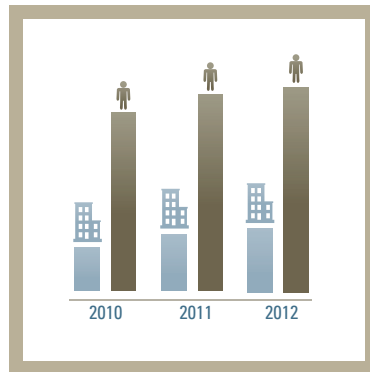
LPL Financial introduces a series of employee town halls in Charlotte, Boston, and San Diego, and virtually hosted by Mark Casady.

More than 1,800 employees participate in town halls, which offer an interactive, live environment where employees can meet colleagues, connect with senior leaders, and gain an enterprise-wide perspective about opportunities and challenges for our company. "The messages were good for a lot of people to hear. It's an excellent thing to be well informed about goals for the future," remarked an attendee. Overall themes that emerge include improving the employee experience, engaging our customers, enhancing technology, and strengthening and maintaining our culture.

2013



eSignature is introduced as a milestone in our technology evolution and allows advisors and their clients to provide electronic signatures securely—at no cost—on the most commonly used operational forms at LPL Financial.



LPL Financial supports 13,352 financial advisors and 701 institutions. LPL Financial leads the industry in attracting new advisors, which translates into a record year for recruited production. Advisory assets under management reach over \$120 billion.



Ushering in a resurgence in LPL technology leadership, the newly redesigned Account View portal, Enhanced Trading and Rebalancing platform, and LPL Financial Mobile launch at the focus13 conference in San Diego.

Account View provides our advisors' clients with their portfolio, account, position, transaction, and statement information. The ET&R platform features high-quality tools that are fully integrated with the rebalancing platform, enabling advisors to seamlessly perform a range of trading and rebalancing activities for any number of securities, client portfolios, and accounts. And with LPL Financial Mobile, our advisors now have an easy way to stay connected to their clients' information, allowing them to provide investment advice on the go.



LPL's senior leaders are challenged to think and work together in new ways at our first-ever Business Leaders Program, an educational experience that enables them to develop "powerful new relationships that will help the business."



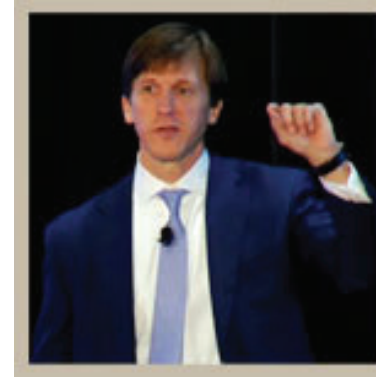
LPL U is launched to provide employees with structured and guided learning plans through colleges that are aligned with the major functions of our business.

LPL U launches with the following colleges: Business & Service Solutions, Finance & Business Strategy, Leadership, Risk Management & Compliance, and Technology Solutions. Pathways career development center is also established to help employees navigate their careers with self-assessments, networking, training, and live coaching. These programs allow employees to enhance their understanding of critical skills for their current roles. They also help them access development opportunities that support their career goals.



The HR Solutions Center launches, providing employees with a single point of contact and centralized resource for HR-related questions and issues.

This is one of many changes to support the company's efforts to be an employer of choice, and to offer benefits and programs that attract and retain top talent and engage employees. Those initiatives include alternative work schedules; improved benefits, including higher 401(k) match; streamlined market-competitive compensation and titling; simpler and more meaningful performance management; and enhanced recruiting and onboarding programs.



LPL hosts our first Investor Day in New York, which provides institutional investors and industry analysts with a deeper view of our leadership team, our growth strategy, and financial opportunities.

Chief Financial Officer Dan Arnold was one of a handful of LPL speakers. Through his presentation, attendees learned how our strategy will drive our earnings performance.

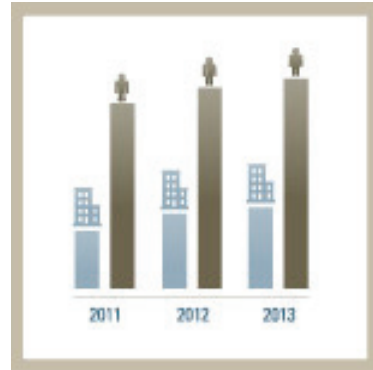


Creativity and collaboration take center stage during our inaugural BTS Innovation Days. Technologists work together to pitch more than 75 new, forward-thinking solutions.

2014



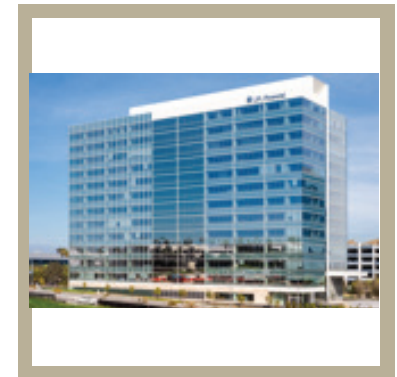
LPL sets a new record for volunteerism: Almost a quarter of employees give back to their community through LPL programs.



LPL Financial Services supports 13,673 advisors and 724 institutions. Advisory assets under management reach over \$150 billion.



In the first quarter, our Enhanced Trading and Rebalancing Platform reached a significant milestone with one million trades executed, less than six months after its national rollout.



In March, we moved into our new tower in San Diego, which is believed to be the largest commercial net-zero office building in the U.S. And, later in the year, we announced plans to build a new Carolinas campus in Fort Mill, S.C. that will also reflect our continued efforts to leverage technology and materials to minimize our impact on the environment.



We launched a new Resource Center to better serve LPL advisors and institutions, complete with streamlined access to a breadth of resources to create added value for advisors by generating efficiencies in managing and growing their businesses.



In July, LPL was among 23 recipients of the Financial Services Roundtable's Community Leadership 2013 Awards, which are given annually to companies that have demonstrated exceptional commitment to volunteerism, community service and financial literacy.



At the Bank Insurance and Securities Association's 2014 Annual Convention, LPL was honored with the 2014 Technology Innovation Award for its Program Growth Model, an innovative tool that enables financial institutions to optimize their program structures, identify growth opportunities, and build growth road maps that are specific to their institution.



LPL launches Employee Resource Groups (ERGs) to support an inclusive workplace and to serve as catalysts for helping employees learn about other cultures, embrace differences, and appreciate the strength and value of our workforce. More than 20% of employees sign up to participate in eight ERGs by the end of the year.

2015



In 2014, we achieved strong business development results, adding 363 net new advisors. We ended the year with 14,036 advisors and retained 97 percent of advisor production for the year, strong indicators of our leadership in the marketplace and the continuing appeal of the independent model.



LPL Financial breaks ground on its new Carolinas campus in Fort Mill, SC, which will bring Charlotte employees together in a single location with room for future growth. The campus supports the firm's commitment to sustainability by leveraging technology and materials to minimize environmental impact, while creating an engaging workspace for employees.



LPL begins an important journey in piloting a few new tools for ClientWorks, a new technology platform designed to offer a more intuitive design and enable advisors to run their practices more efficiently and effectively.



The new Vendor Affinity Program is launched to help advisors reduce the complexity and costs of running their businesses. The program kicks off with a centralized repository of more than 50 vendors offering more than 125 products to LPL advisors at discounted prices.

2016



Dan Arnold is named president of LPL Financial.



LPL Financial supports 14,054 advisors and 750 institutions. Total advisory and brokerage assets under management reach over \$475 billion.



LPL opens an office in Washington, DC, making it easier for our Government Relations team to support and grow our government relations advocacy efforts.



LPL introduces the innovative LPL Deposit Cash Account (LPL DCA), which gives investors access to an FDIC-insured bank sweep deposit program for the uninvested cash in their advisory IRA accounts.

By converting to the LPL DCA in July 2016, cash sweep balances are FDIC insured for up to \$1.5 million and have the potential for a more competitive interest rate, compared to the money market mutual fund option.



In the fall, we move into our new Carolinas campus in Fort Mill, SC. The campus leverages net-zero water design strategies, integrates nature into the design, and includes amenities that promote employee wellbeing.



Approximately 100 advisors attend the inaugural Women Advisors Leaders Forum in November. The conference is a way to enhance the overall experience LPL's top women advisors have by bringing them together as a community to help them succeed.



ClientWorks becomes accessible to 100% of our legacy BranchNet users, allowing all of our advisors and their staff to experience the full potential of the technology platform.



A Diversity Council that represents all areas of the firm is created, solidifying our commitment that diversity and inclusion are part of the fabric of our culture.

2017



Mark Casady announces his retirement. His designated successor, Dan Arnold, is named president and CEO of LPL Financial and joins the Board of Directors.

In one of his final letters to employees, Mark says “While I will miss working toward [LPL’s] mission alongside you, there is no one I believe is more qualified and prepared to assume the honor of carrying forward our profound mission than Dan. In Dan, you have a leader who values transparency, trust, and fostering an inclusive workplace where employees are empowered to



LPL experiences the best recruiting year ever. LPL Financial supports 14,377 advisors and more than 700 institutions. Total advisory and brokerage assets under management reach over \$509 billion, surpassing half a trillion dollars for the first time.



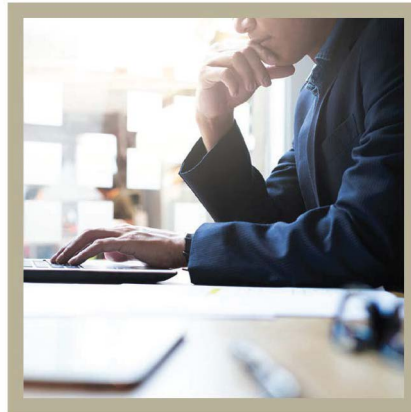
In August, we acquire the four independent broker/dealers of National Planning Holdings, Inc. (NPH). With this transaction, LPL hires more than 300 employees and 300 temporary staff in preparation for converting advisors to our platform. We onboard the first wave of more than 1,000 NPH advisors, beginning the largest movement of advisors to LPL in company history. The image is from our NPH celebration marking the incredible success of the acquisition.

This acquisition furthers LPL’s strategic desire to remain the clear market leader in independent advice, which continues to be the fastest-growing segment in the investment space. NPH had 3,200 advisors, \$120 billion in client assets, and served as the holding company for four independent broker/dealers, including:

- INVEST Financial Corporation (INVEST), in Tampa, Florida
- Investment Centers of America, Inc. (ICA), in Bismarck, North Dakota
- National Planning Corporation (NPC), in El Segundo, California
- SII Investments, Inc. (SII), in Appleton, Wisconsin

The plan is to onboard NPH’s advisors and client assets in two waves over a six-month period. The Wave 1 conversion takes place in late November/early December and focuses on INVEST and ICA broker/dealers with more than 1,000 advisors and their office staff moving to LPL. The firm pulls together quickly to solve for new technology requirements, simplify and communicate policy differences, map legacy products and platforms to our systems, and more. LPL teams learn a lot throughout this process, and are determined to apply those learnings to improve our conversion process for Wave 2 in 2018.

Execute
with Excellence



T+2

As part of the launch of our three-year strategy arc, LPL introduces its new management system of efficiency, quality, and innovation, which defines how employees will execute with excellence every day.

The firm launches Guided Wealth Portfolios (GWP), an investment solution that features personalized service and support from a financial advisor delivered through a digital service experience.

LPL enhances its strategic capabilities on its advisory platforms with reduced pricing, added functionality, new model portfolios, and model delivery offerings.

LPL flips the switch on T+2, an industry-wide initiative to shorten the settlement cycle from three to two business days.

On September 5, 2017, LPL and the financial industry implement T +2, the industry-wide initiative to shorten the settlement cycle in the U.S. from three business days after a trade date (T +3) to two business days (T +2) for most financial products. We're at the forefront of this initiative since it was first discussed in 2015, and take a proactive role to educate ourselves on the topic, participate in industry discussions and forums, strategize, and share insights with our industry peers on how to best implement this change. Months earlier, our game plan begins with a thorough assessment of what T +2 means for the firm and its stakeholders, both internally and externally. Our plans enable us to support those impacted by this change, update systems and processes, and keep employees and advisors informed along the way. As a result, we achieve a smooth and successful transition.

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2018



LPL Financial supports 15,210 advisors, including 953 advisors joining from National Planning Holdings, and more than 700 institutions. Total advisory and brokerage assets under management reach over \$615 billion.



LPL launches the Advisor Inclusion Council, bringing together a diverse group of representatives from advisor firms and institutions, partnering with LPL leaders, to focus on the company's diversity and inclusion strategy.



The Independent Advisor Institute (IAI) launches to source and match new-to-the-industry advisors with experienced financial advisors in an effort to accelerate career development, while supporting advisor growth and laying a foundation for long-term success.



LPL acquires fintech firm AdvisoryWorld, bringing advisors the award-winning proposal generation capabilities, risk-scoring and portfolio and investment analytics solutions. The acquisition accelerates our ability to deliver ClientWorks Connected, providing advisors a fully integrated, seamless experience that connects key workflows.

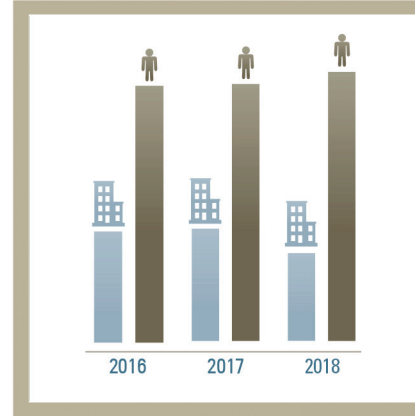
2019



LPL launches Business Solutions, enabling advisors to outsource the routine and complex tasks of running a business to LPL specialists, giving them the freedom to focus on what truly matters while helping them generate revenue and grow their business. The suite of services includes admin support, digital marketing strategy and execution, office technology set up and support and strategic financial services.



We begin the process of transforming our culture at LPL into one that places the needs of advisors and their investors at the center. We reimagine our LPL mission statement to make clear the purpose of our organization, and to better reflect our desired future-state culture.



LPL Financial supports 16,110 advisors and approximately 800 institutions. Total advisory and brokerage assets under management reach \$628 billion.



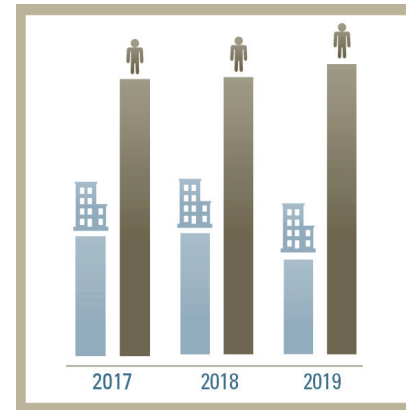
LPL acquires Allen & Company, a broker-dealer and registered investment adviser (RIA) based in Florida, marking significant progress toward building a full-service independent model.



With the launch of Advisor Sleeve, LPL offers advisors the opportunity to create their own models in Model Wealth Portfolios (MWP) using SAM eligible mutual funds and exchange-traded products (ETPs). With Advisor Sleeve, advisors can continue to offer the value of their personalized investment advice while gaining scale and efficiency.



We continue to activate our cultural transformation, launching five new values to guide our behavior and decision-making.



LPL Financial supports 16,465 advisors and approximately 800 institutions. Total advisory and brokerage assets under management reach a new high of \$764 billion.



Volatility in the market and the spread of COVID-19 create an atmosphere of uncertainty. LPL supports the safety, well-being, and needs of both employees and advisors while remaining open as an essential infrastructure business.

Our COVID-19 response is guided by two principles: protect the safety and wellbeing of our LPL family, and continue to operate the business. To adapt to the challenges, close to 90% of employees work virtually. Layered health and safety protocols keep our campuses as healthy as possible. Personal and professional resources support the wellbeing of employees and their families.

For advisors and their clients, LPL focuses on providing the service and support they need. Thrivalist—an integrated marketing campaign—delivers innovative tools and technology to help navigate the environment, turning challenges into opportunities. The Research team provides resources to help clients understand what's happening in the markets and economy. Service hours are extended to accommodate financial professionals' dynamic schedules.

To protect the health and safety of the LPL family, Masters and Summit are canceled. Focus is our first digital conference held over three days and has more than 11,000 attendees.



In a year of uncertainty, LPL continues to grow organically and through acquisitions. LPL acquires Lucia Securities and E.K. Riley Investments, two smaller broker-dealers and RIAs looking to simplify their business. Fintech firm Blaze Portfolio is acquired to expand wealth management capabilities. Its innovative trading and portfolio rebalancing software is integrated into LPL's core technology platform, delivering a sophisticated solution to help drive efficiency and scale in advisors' practices.

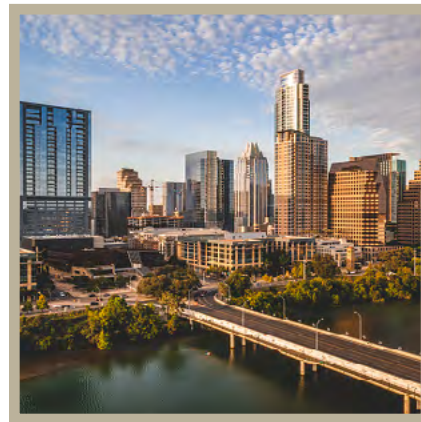


Building on its commitment to meet the needs of all advisors, LPL launches two new models: Strategic Wealth Services and an employee advisor model.

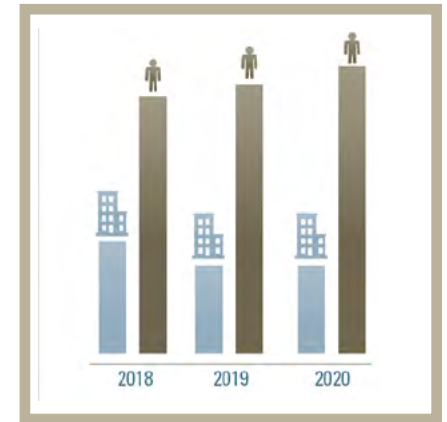
Each model is designed to address advisor preference as well as where they are in the lifecycle of their business.

Strategic Wealth Services is a new generation of supported independence. A dedicated team of practitioners work within and for advisors' businesses. The advisor sets direction, and the Strategic Wealth Services team executes, in both a strategic and operational capacity, as an extension of the business—during transition and beyond.

LPL's employee advisor model, Linsco by LPL, offers advisors autonomy and equity in their book of business, coupled with the security and stability of working with a nationally-leading wealth management firm. Advisors enjoy the perks of being an employee, such as modern workspaces and full benefits, so they can focus on growing their practices without disruption.



In October, our Austin, Texas, office opens in Paloma Ridge, primarily as a home to our growing Technology team. The expansion helps us create and support the technology capabilities needed to help our advisors grow their businesses.



LPL Financial supports 17,287 advisors and approximately 800 institutions. Total advisory and brokerage assets under management reach a new high of \$903 billion.