

## LPL Financial Quickly Reaches \$50 Billion Milestone for RIA Custody Business

### Accelerated Asset Growth Fueled by Providing Choice, Flexibility and Integration of Services and Solutions to RIA Firms

SAN DIEGO, June 19, 2013 (GLOBE NEWSWIRE) -- [LPL Financial](#) LLC, the nation's largest independent broker-dealer,\* a leading RIA custodian and a wholly owned subsidiary of LPL Financial Holdings Inc. (Nasdaq:LPLA), today announced the firm has reached \$50 billion in total RIA assets under custody, doubling its total as of the end of May 2012.

RIA is a commonly used acronym for "Registered Investment Advisor." RIA firms traditionally provide investment counsel and portfolio management services and generate fee income based on the amount of assets supervised.

"The \$50 billion milestone caps five years of remarkable growth for our RIA custody business," explained Derek Bruton, managing director for LPL Financial. "We made a calculated decision to focus on this area back in 2008, based on the anticipated success of the then-new hybrid RIA model, which enables both fee and commission-based revenue opportunities for advisors who operate under their own RIA firm. Our recruitment efforts have been wildly successful, as the number of RIA firms on our platform, and their ability to attract assets, has exploded. We have become the destination of choice for the most successful and sophisticated RIA firms in the industry."

Beyond the growth of total assets under custody, key indicators of the platform's ongoing growth and success include:

- The LPL Financial RIA custodial platform has grown organically since its initial launch in late 2008 to become one of the top RIA custodians in the industry according to Cerulli Associates, RIA Service Agent Survey 4Q 2012.
- RIA firms on the LPL Financial RIA custodial platform enjoy the highest average assets under custody at \$214 million per RIA firm, compared to the top five largest custodians at \$136 million in AUC per firm, as validated by Cerulli Associates, RIA Service Agent Survey 4Q 2012.
- Successful recent launch of the only fully integrated trading and rebalancing system in the custodial space, available to all advisors on the platform, which enables RIA firms to move seamlessly from model management through trading in one consolidated platform.

Ben Marks, president and chief investment officer of Marks Group Wealth Management, a Greater Minneapolis-based independent RIA firm that oversees approximately \$500 million in assets, said, "As the first significant wirehouse breakaway team to become a client on the RIA custodial platform, we congratulate LPL Financial on the achievement of this major milestone. We are delighted to be part of the platform's continued success story. While the vast majority of our business is fee-based, we find the dual registration to be convenient and seamless for our clients whenever they need to undertake a brokerage transaction."

"Our greatest obstacle to growth has always been the amount of time and resources we had to spend on non-client facing activities. LPL Financial solves our challenges—from marketing and practice management support, to strategy and turnkey investment management solutions—and frees us to focus on making smart investment decisions for our clients. As a result, the growth and expansion of our business has happened at a rapid pace that would not have been possible with any other custodial partner."

Mr. Bruton continued, "Ultimately, success today in the custodial space comes down to providing independent RIA firms with maximum levels of choice, flexibility, and integration of services and solutions. Through our broker-dealer structure, corporate RIA and RIA custodial platform, advisors with LPL Financial seek to grow their business under one seamlessly consolidated technology and service infrastructure. Equally important, with our addition of leading capabilities such as retirement plan support and high-net-worth wealth management, combined with unique business processing functions such as our fully integrated trading and rebalancing platform, we can service a broader spectrum of large RIA firms with diverse strategic needs than ever before."

#### About LPL Financial

LPL Financial, a wholly owned subsidiary of LPL Financial Holdings Inc. (Nasdaq:LPLA), is the nation's largest independent broker-dealer,\* a top RIA custodian, and a leading independent consultant to retirement plans. LPL Financial offers proprietary technology, comprehensive clearing and compliance services, practice management programs and training, and independent

research to more than 13,300 financial advisors and approximately 700 financial institutions. In addition, LPL Financial supports more than 4,500 financial advisors licensed with insurance companies by providing customized clearing, advisory platforms and technology solutions. LPL Financial and its affiliates have approximately 2,900 employees with primary offices in Boston, Charlotte, and San Diego. For more information, please visit [www.lpl.com](http://www.lpl.com).

Securities and Advisory Services offered through LPL Financial. A Registered Investment Advisor, member FINRA/SIPC.

\*As reported by *Financial Planning* magazine, June 1996—2013, based on total revenue.

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