



## LPL Financial to Acquire Boenning & Scattergood

Jul 8, 2022

### **Boenning & Scattergood is a broker/dealer and RIA employing approximately 40 advisors serving approximately \$5 billion of client assets**

SAN DIEGO, July 08, 2022 (GLOBE NEWSWIRE) -- [LPL Financial](#) LLC (Nasdaq:LPLA) today announced that the firm has entered into a definitive purchase agreement to acquire the Private Client Group business of Boenning & Scattergood, a broker/dealer and registered investment adviser (RIA) headquartered in West Conshohocken, Pa. Boenning & Scattergood is comprised of approximately 40 financial advisors who serve approximately \$5 billion of advisory and brokerage assets. The 108-year-old family-owned business will onboard to LPL's employee advisor model, retaining its brand while benefitting from a new operating model.

"Our family business has a 108-year history of helping our clients build and secure their financial legacies, and LPL is the right partner for us to carry that legacy and our business forward," said Harold Scattergood Jr., chairman and CEO of Boenning & Scattergood. "Importantly, LPL took the time to understand our business, our culture and our goals. LPL's commitment to investing in our superior wealth management platform will help us to further our capabilities to enrich and grow our support for clients. We are proud to continue building Boenning & Scattergood in a relevant and sustainable way, as we retain our culture and connection to our clients and community."

"We welcome Boenning & Scattergood to the LPL family and are proud to be the stewards of this distinguished Boenning & Scattergood brand," said Rich Steinmeier, LPL Financial managing director and divisional president, Business Development. "The firm has a long history of making a positive difference in the lives of their clients, employees and the communities they serve. As their partner, we can provide an operational model that allows Boenning & Scattergood to focus on client experience and firm growth. They have the freedom to run their business on their terms, with the ability to stay focused on their client relationships."

The transaction also marks an important expansion of LPL's employee advisor affiliation model, which began in 2019 with the acquisition of Allen & Company. The transaction is structured as an asset purchase. The purchase agreement was signed on July 7, 2022, and the transaction is anticipated to close in early 2023, subject to receipt of regulatory approval and other customary closing conditions. Under the transaction structure, LPL will onboard Boenning & Scattergood advisors and certain staff as employees, and maintain Boenning & Scattergood operations and brand. Boenning & Scattergood client assets will onboard to LPL's custodial platform. The Company estimates a transaction multiple of ~5x post-synergy EBITDA.

### **About LPL Financial**

LPL Financial (Nasdaq: LPLA) was founded on the principle that the firm should work for the advisor, and not the other way around. Today, LPL is a leader in the markets we serve,\* supporting over 20,000 financial advisors, approximately 1,000 institution-based investment programs and approximately 500 RIA firms nationwide. We are steadfast in our commitment to the advisor-centered model and the belief that Americans deserve access to personalized guidance from a financial advisor. At LPL, independence means that advisors have the freedom they deserve to choose the business model, services, and technology resources that allow them to run their perfect practice. And they have the freedom to manage their client relationships, because they know their clients best. Simply put, we take care of our advisors, so they can take care of their clients.

*\* Top RIA custodian (Cerulli Associates, 2020 U.S. RIA Marketplace Report); No. 1 Independent Broker-Dealer in the U.S. (Based on total revenues, Financial Planning magazine June 1996-2021); No. 1 provider of third-party brokerage services to banks and credit unions (2020-2021 Kehler Bielan Research & Consulting Annual TPM Report); Fortune 500 Company as of June 2021. LPL and its affiliated companies provide financial services only from the United States.*

Securities and advisory services offered through LPL Financial LLC, an SEC-registered broker-dealer and investment advisor. Member FINRA/SIPC.

Throughout this communication, the terms "financial advisors" and "advisors" are used to refer to registered representatives and/or investment advisor representatives affiliated with LPL Financial LLC. We routinely disclose information that may be important to shareholders in the "Investor Relations" or "Press Releases" section of our website.

### **Forward-Looking Statements**

Statements in this press release regarding LPL's and Boenning & Scattergood future operating results, growth and plans, including potential future levels of assets serviced, the onboarding of advisors, staff and assets, or any other statements that are not related to present facts or current conditions or that are not purely historical, constitute forward-looking statements. These forward-looking statements are based on the historical performance of LPL and Boenning & Scattergood and LPL's plans, estimates and expectations as of July 7, 2022. Forward-looking statements are not guarantees that the future levels of assets serviced, results,

plans, intentions or expectations expressed or implied by LPL will be achieved. Matters subject to forward-looking statements involve known and unknown risks and uncertainties, including economic, legislative, regulatory, competitive and other factors, which may cause levels of assets serviced, actual financial or operating results, levels of activity, or the timing of events, to be materially different than those expressed or implied by forward-looking statements. In particular, LPL can provide no assurance that the assets reported as serviced by Boenning & Scattergood financial advisors will translate into assets serviced at LPL, or that Boenning & Scattergood financial advisors will join LPL. Important factors that could cause or contribute to such differences include: satisfaction of closing conditions under the parties' purchase agreement, including receipt of transaction approval from the Financial Industry Regulatory Authority; difficulties or delays in onboarding Boenning & Scattergood financial advisors, staff or clients, which could negatively affect LPL's ability to realize revenue or expense synergies or other expected benefits of the transaction; disruptions of LPL's business that could make it more difficult to maintain relationships with its financial advisors and their clients; the choice by clients of Boenning & Scattergood advisors not to open brokerage and/or advisory accounts at LPL; changes in general economic and financial market conditions, including retail investor sentiment; fluctuations in the value of assets under custody; effects of competition in the financial services industry, including competitors' success in recruiting Boenning & Scattergood advisors and their clients; and the other factors set forth in Part I, "Item 1A. Risk Factors" in LPL's 2021 Annual Report on Form 10-K and any subsequent SEC filing. Except as required by law, LPL specifically disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this press release, even if its estimates change, and you should not rely on those statements as representing LPL's views as of any date subsequent to July 7, 2022. Estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

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