

LPL Financial Welcomes Advantage Financial Group To Its Platform; Producer Group Brings 63 Independent Advisors And Client Assets Of Approximately \$2 Billion

-- Advantage Financial Group Identifies LPL Financial As Best Broker-Dealer and Custodial Partner to Accelerate Growth for Its Innovative Equity Partnership Model and Affiliated Independent Advisory Practices --

-- LPL Financial to Provide Comprehensive Practice Management, Succession Planning, Marketing and Technology Solutions to Advantage Financial Group --

SAN DIEGO and CEDAR RAPIDS, Iowa, Aug. 2, 2012 /PRNewswire/ -- LPL Financial LLC, the nation's largest independent broker-dealer* and a wholly-owned subsidiary of LPL Financial Holdings Inc. (NASDAQ: LPLA), today announced that Advantage Financial Group (AFG), a leading producer group comprised of top independent financial advisory practices and built around an innovative equity partnership model shared among its independent advisors, has affiliated with LPL Financial. As part of this process, 63 AFG-affiliated independent advisors are transitioning their securities registrations from their current broker-dealer to LPL Financial, bringing client assets of approximately \$2 billion.

Based in Cedar Rapids, Iowa, AFG provides professional services to its independent financial advisor members in the Midwest, Great Lakes and Southeast regions. Structured as a professional partnership, AFG is owned by its advisor members, who share an equity interest in AFG as a separately managed professional services firm. AFG generated trailing 12 month revenues of \$11.2 million.

AFG will affiliate with LPL Financial under its current producer group structure, and continue to grow under its own existing brands and organization. Also as part of this transition, the LPL Financial RIA Platform will become the primary custodian for AFG's sister company and Registered Investment Advisory (RIA) firm, Advantage Investment Management (AIM), which will continue to provide fee-based solutions to the advisor members of the AFG producer group.

Bill Morrissey, Executive Vice President of Business Development at LPL Financial, said, "We are delighted to welcome Advantage Financial Group and Advantage Investment Management to the LPL Financial platform, and we are eager to assist in supporting the success of AFG's independent financial advisors as well as the group's unique equity partnership model. Our relationship with AFG represents an important step in our broader efforts to establish LPL Financial as the first choice provider of broker-dealer, custodial, practice management, marketing and succession planning services for successful and sophisticated producer groups throughout the U.S. The operational efficiency we offer through the total integration of our service platforms, combined with our ability to deliver support in an extremely flexible and personalized format, has been increasingly attractive to leading producer groups such as AFG that are seeking both industry-leading scale and a high touch customer experience."

Joe Russo, Chairman of Advantage Financial Group, said, "This transition is the culmination of an innovative plan to create transferrable equity value for Advantage Financial Group's member advisors and their future generations. The transition to LPL Financial successfully concludes an extensive review process for a broker-dealer and custodial partner that will help us preserve and enhance the equity value of the AFG partnership. At the same time, we are confident that our transition to the LPL Financial platform will best enable AFG's expansion across a range of additional services to the advisors we support and enhance the ability of our advisors to significantly accelerate the growth of their independent practices."

Mr. Russo continued, "In terms of people, platforms and processes, no other organization suited our needs as perfectly as LPL Financial. From hands-on practice management services, to succession planning resources, and from customized marketing support at both the producer group level and independent advisor level, to technology platforms that are second to none, LPL Financial can accelerate the future growth of our producer group at a level far beyond anything else that currently exists in the industry. Indeed, the speed and seamlessness of a transition of our size to LPL Financial speaks to the strength of their infrastructure and team."

Mr. Morrissey concluded, "AFG and its outstanding leadership team have established an extremely well-defined culture coupled with a business model that will create lasting equity value for both its current partners and for future generations. LPL Financial is privileged to embark on this new relationship with AFG and its affiliated independent advisors."

About Advantage Financial Group

Based in Cedar Rapids, Iowa, AFG serves a network of over 60 independent advisors with approximately \$2 billion in client assets who operate primarily in the Midwest, Great Lakes and Southeast regions. AFG is dedicated to the support of the

independent financial advisor business model and the advancement of the independent practitioner. Through its 12 offices of supervisory jurisdiction, AFG provides its members with expert operations support, including technology infrastructure, compliance and back office functions, and facilitates the sharing of best practices information among its member advisors.

AFG was founded in 2001 by Joe Russo, who currently serves as Chairman and also serves as Chairman of the Financial Services Institute, a prominent industry trade association. For more information, please visit <http://www.advantagefg.com/new/officialafg/>

About LPL Financial

LPL Financial, a wholly owned subsidiary of LPL Financial Holdings Inc. (NASDAQ: [LPLA](#)), is the nation's largest independent broker-dealer (based on total revenues, *Financial Planning* magazine, June 1996-2012), a top RIA custodian, and a leading independent consultant to retirement plans. LPL Financial offers integrated technology, comprehensive clearing and compliance services, practice management programs and training, and independent research to over 13,100 financial advisors and approximately 685 financial institutions. In addition, LPL Financial supports over 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 headquarters in Boston, Charlotte, and San Diego. For more information, please visit www.lpl.com.

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

*Based on total revenues, Financial Planning magazine, June 1996-2012

Forward-Looking Statements

This press release may contain forward-looking statements (regarding management expectations, strategic objectives, business prospects, financial results, and other similar matters) that involve risks and uncertainties. Forward-looking statements can be identified by words such as "will," "expects," "believes," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Important factors that may cause such differences include, but are not limited to, LPL Financial LLC's ability to successfully transition the AFG-affiliated advisors to its platform, changes in general economic and financial market conditions, fluctuations in the value of assets under management or administration, effects of competition in the financial services industry, changes in the number of our financial advisors and institutions and their ability to effectively market financial products and services, the effect of current, pending and future legislation, regulation and regulatory actions, and the other factors set forth in Part I, "Item 1A. Risk Factors" in LPL Financial Holdings Inc.'s 2011 Annual Report on Form 10-K, which is available on www.lpl.com and www.sec.gov.

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