

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File Number: 001-34963

LPL Financial Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

20-3717839

(I.R.S. Employer Identification No.)

**4707 Executive
Drive, San Diego, California 92121**

(Address of principal executive offices) (Zip Code)

(800) 877-7210

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - \$0.001 par value per share	LPLA	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

The number of shares of Common Stock, par value \$0.001 per share, outstanding as of July 30, 2026 was 78,742,290.

TABLE OF CONTENTS

	Page
WHERE YOU CAN FIND MORE INFORMATION	ii
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	ii
Glossary of Terms	iv
PART I — FINANCIAL INFORMATION	1
1. Financial Statements (unaudited)	19
Condensed Consolidated Statements of Income (unaudited)	19
Condensed Consolidated Statements of Financial Condition (unaudited)	20
Condensed Consolidated Statements of Stockholders' Equity (unaudited)	21
Condensed Consolidated Statements of Cash Flows (unaudited)	22
Notes to Condensed Consolidated Financial Statements (unaudited)	24
Note 1 - Organization and Description of the Company	24
Note 2 - Summary of Significant Accounting Policies	25
Note 3 - Revenue	26
Note 4 - Acquisitions	27
Note 5 - Fair Value Measurements	31
Note 6 - Investment Securities	37
Note 7 - Goodwill and Other Intangibles, Net	37
Note 8 - Other Assets and Other Liabilities	39
Note 9 - Corporate Debt and Other Borrowings, Net	40
Note 10 - Commitments and Contingencies	42
Note 11 - Stockholders' Equity	44
Note 12 - Share-based Compensation	44
Note 13 - Earnings per Share	46
Note 14 - Net Capital and Regulatory Requirements	46
Note 15 - Financial Instruments with Off-Balance Sheet Credit Risk and Concentrations of Credit Risk	47
Note 16 - Segment Information	47
Note 17 - Subsequent Events	47
2. Management's Discussion and Analysis of Financial Condition and Results of Operations	1
Business Overview	1
Our Sources of Revenue	1
Significant Events	2
Executive Summary	2
Key Performance Metrics	3
Legal and Regulatory Matters	7
Economic Overview and Impact of Financial Market Events	7
Results of Operations	8
Liquidity and Capital Resources	13
Debt and Related Covenants	17
Contractual Obligations	17
Risk Management	18
Critical Accounting Policies and Estimates	18
3. Quantitative and Qualitative Disclosures About Market Risk	48
4. Controls and Procedures	50
PART II — OTHER INFORMATION	50
1. Legal Proceedings	50
1A. Risk Factors	50
2. Unregistered Sales of Equity Securities and Use of Proceeds	50
3. Defaults Upon Senior Securities	50
4. Mine Safety Disclosures	51
5. Other Information	51
6. Exhibits	51
SIGNATURES	52

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information required by the Securities Exchange Act of 1934, as amended (the “Exchange Act”), with the Securities and Exchange Commission (“SEC”). Our SEC filings are available to the public on the SEC’s website at sec.gov.

We post the following filings to our website at lpl.com as soon as reasonably practicable after they are electronically filed with or furnished to the SEC: our annual reports on Form 10-K, our proxy statements, our quarterly reports on Form 10-Q, our current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. Copies of all such filings are available free of charge by request via email (investor.relations@lplfinancial.com), telephone ((617) 897-4574) or mail (LPL Financial Investor Relations at 1055 LPL Way, Fort Mill, SC 29715). The information contained or incorporated on our website is not a part of this Quarterly Report on Form 10-Q.

We may use our website as a means of disclosing material information and for complying with our disclosure obligations under Regulation Fair Disclosure promulgated by the SEC. These disclosures are included on our website in the “Investor Relations” or “Press Releases” sections. Accordingly, investors should monitor these portions of our website in addition to following the Company’s press releases, SEC filings, public conference calls and webcasts.

When we use the terms “LPLFH,” “LPL,” “we,” “us,” “our” and “the Company,” we mean LPL Financial Holdings Inc., a Delaware corporation, and its consolidated subsidiaries, taken as a whole, unless the context otherwise indicates.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in Part I, *Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations”* and other sections of this Quarterly Report on Form 10-Q regarding:

- the Company’s future financial and operating results, outlook, growth, plans, business strategies, liquidity, future share repurchases and dividends, including statements regarding future resolution of regulatory matters, legal proceedings and related costs;
- the Company’s future revenue and expense;
- future affiliation models and capabilities;
- the expected conversion, transition and onboarding of advisors, institutions and assets in connection with our acquisition and recruitment activity, including the conversion of assets of the broker-dealer and investment advisors acquired in connection with our acquisition of Commonwealth Financial Network (“Commonwealth”);
- market and macroeconomic trends, including the effects of inflation and the interest rate environment;
- projected savings and anticipated improvements to the Company’s operating model, services and technologies as a result of its investments, initiatives, programs and acquisitions; and
- 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 reflect the Company’s expectations and objectives as of August 3, 2026. The words “anticipates,” “believes,” “expects,” “may,” “plans,” “predicts,” “will” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are not guarantees that expectations or objectives expressed or implied by the Company will be achieved. The achievement of such expectations and objectives involves risks and uncertainties that may cause actual results, levels of activity or the timing of events to differ materially from those expressed or implied by forward-looking statements. Important factors that could cause or contribute to such differences include:

- changes in general economic and financial market conditions, including retail investor sentiment;
- changes in interest rates and fees payable by banks participating in the Company’s client cash programs, including the Company’s success in negotiating agreements with current or additional counterparties;
- the Company’s strategy and success in managing client cash program fees;
- fluctuations in the levels of advisory and brokerage assets, including net new assets, and the related impact on revenue;
- effects of competition in the financial services industry and the success of the Company in attracting and retaining financial advisors and institutions, and their ability to provide financial products and services effectively;

- whether retail investors served by newly-recruited advisors choose to move their respective assets to new accounts at the Company;
- difficulties and delays in onboarding the assets of acquired, recruited or transitioned advisors, including the receipt and timing of regulatory approvals that may be required;
- disruptions in the businesses of the Company that could make it more difficult to maintain relationships with advisors and their clients;
- the choice by clients of acquired, recruited or transitioned advisors not to open brokerage and/or advisory accounts at the Company;
- changes in the growth and profitability of the Company's fee-based offerings and asset-based revenues;
- the effect of current, pending and future legislation, regulation and regulatory actions, including disciplinary actions imposed by federal and state regulators and self-regulatory organizations;
- the cost of defending, settling and remediating issues related to regulatory matters or legal proceedings, including civil monetary penalties or actual costs of reimbursing customers for losses in excess of our reserves or insurance;
- changes made to the Company's services and pricing, including in response to competitive developments and current, pending and future legislation, regulation and regulatory actions, and the effect that such changes may have on the Company's gross profit streams and costs;
- execution of the Company's capital management plans, including its compliance with the terms of the Company's amended and restated credit agreement (the "Credit Agreement"), the committed revolving credit facility at our primary broker-dealer subsidiary, LPL Financial LLC (the "Broker-Dealer Revolving Credit Facility"), and the indentures governing the Company's senior unsecured notes (the "Indentures");
- strategic acquisitions and investments, including pursuant to the Company's Liquidity & Succession solution, and the effect that such acquisitions and investments may have on the Company's capital management plans and liquidity;
- the price, availability and trading volumes of shares of the Company's common stock, which will affect the timing and size of future share repurchases by the Company, if any;
- execution of the Company's plans and its success in realizing the synergies, expense savings, service improvements or efficiencies expected to result from its investments, initiatives and acquisitions, expense plans and technology initiatives;
- whether advisors affiliated with Commonwealth will transition registration to the Company and whether assets reported as serviced by such financial advisors will translate into assets of the Company;
- the performance of third-party service providers to which business processes have been transitioned;
- the Company's ability to control operating risks, information technology systems risks, cybersecurity risks and sourcing risks; and
- the other factors set forth in the Company's most recent Annual Report on Form 10-K, as may be amended or updated in the Company's Quarterly Reports on Form 10-Q.

Except as required by law, the Company specifically disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this Quarterly Report on Form 10-Q, and you should not rely on statements contained herein as representing the Company's view as of any date subsequent to the date of this Quarterly Report on Form 10-Q.

GLOSSARY OF TERMS

Acquisition Costs: Expenses that include the costs to setup, onboard and integrate acquired entities and other costs that were incurred as a result of the acquisitions.

Adjusted EBITDA: A non-GAAP financial measure defined as EBITDA plus acquisition costs excluding interest.

Adjusted EPS: A non-GAAP financial measure defined as Adjusted Net Income divided by the weighted average number of diluted shares outstanding for the applicable period.

Adjusted Net Income: A non-GAAP financial measure defined as net income plus the after-tax impact of amortization of other intangibles and acquisition costs.

Basis Point: One basis point equals 1/100th of 1%.

Core G&A: A non-GAAP financial measure defined as total expense excluding the following expenses: advisory and commission; depreciation and amortization; interest expense on borrowings; brokerage, clearing and exchange; amortization of other intangibles; market fluctuations on employee deferred compensation; promotional (ongoing); employee share-based compensation; regulatory charges; acquisition costs excluding interest; and transition assistance loan amortization.

Corporate Cash: A component of cash and equivalents that includes the sum of cash and equivalents from the following: (1) cash and equivalents held at LPL Holdings, Inc., (2) cash and equivalents held at regulated subsidiaries as defined by the Company's Credit Agreement, which include LPL Financial LLC, LPL Enterprise, LLC, The Private Trust Company, N.A., and Commonwealth Equity Services, LLC ("CES"), in excess of the capital requirements of the Company's Credit Agreement and (3) cash and equivalents held at non-regulated subsidiaries.

Credit Agreement: The Company's amended and restated credit agreement.

Credit Agreement EBITDA: A non-GAAP financial measure defined in the Credit Agreement as "Consolidated EBITDA," which is Consolidated Net Income (as defined in the Credit Agreement) plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles, and is further adjusted to exclude certain non-cash charges and other adjustments and to include future expected cost savings, operating expense reductions or other synergies from certain transactions.

EBITDA: A non-GAAP financial measure defined as net income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles.

FINRA: The Financial Industry Regulatory Authority.

GAAP: Accounting principles generally accepted in the United States of America.

Gross Profit: A non-GAAP financial measure defined as total revenue less advisory and commission expense; brokerage, clearing and exchange expense; and market fluctuations on employee deferred compensation.

Indentures: The indentures governing the Company's senior unsecured notes.

Leverage Ratio: A financial metric from our Credit Agreement that is calculated by dividing Credit Agreement net debt, which equals consolidated total debt less Corporate Cash, by Credit Agreement EBITDA.

NFA: The National Futures Association.

OCC: The Office of the Comptroller of the Currency.

RIA: Registered investment adviser.

SEC: The U.S. Securities and Exchange Commission.

Uniform Net Capital Rule: Refers to Rule 15c3-1 under the Exchange Act, which specifies minimum capital requirements that are intended to ensure the general financial soundness and liquidity of broker-dealers.

PART I — FINANCIAL INFORMATION

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Business Overview

LPL serves the financial advisor-mediated marketplace as the nation's largest independent broker-dealer, a leading investment advisory firm and a top custodian. We support more than 32,000 financial advisors, and the wealth management practices of approximately 1,100 financial institutions, servicing and custodying approximately \$2.6 trillion in brokerage and advisory assets. The firm provides a wide range of advisor affiliation models, investment solutions, fintech tools and practice management services, ensuring that advisors and institutions have the flexibility to choose the business model, services, and technology resources they need to run successful businesses.

We are steadfast in our commitment to the advisor-mediated model and the belief that investors deserve access to personalized guidance from a financial advisor. We believe advisors should have the freedom to choose the business model, services and technology they need and to manage their client relationships. We believe investors achieve better outcomes when working with a financial advisor, and we strive to make it easy for advisors to do what is best for their clients.

We believe that we are the only company that offers the unique combination of an integrated technology platform, comprehensive self-clearing services and access to a wide range of curated non-proprietary products all delivered in an environment unencumbered by conflicts from product manufacturing, underwriting and market-making.

Our Sources of Revenue

Our revenue is derived primarily from fees and commissions from products and advisory services offered by our advisors to their clients, a substantial portion of which we pay out to our advisors, as well as fees we receive from our advisors for the use of our technology, custody, clearing, trust and reporting platforms. We also generate asset-based revenue through our insured bank sweep vehicles, money market account balances and the access we provide to a variety of product providers with the following product lines:

- Alternative Investments
 - Annuities
 - Exchange Traded Products
 - Insurance Based Products
 - Mutual Funds
- Retirement Plan Products
 - Separately Managed Accounts
 - Structured Products
 - Unit Investment Trusts

Under our self-clearing platform, we custody the majority of client assets invested in these financial products, for which we provide statements, transaction processing and ongoing account management. In return for these services, mutual funds, insurance companies, banks and other financial product sponsors pay us fees based on asset levels or number of accounts managed. We also earn interest from margin loans made to our advisors' clients, cash and equivalents segregated under federal or other regulations, advisor repayable loans and operating cash, which is included in interest income, net in the condensed consolidated statements of income. A portion of our revenue is not asset-based or correlated with the equity financial markets.

We regularly review various aspects of our operations and service offerings, including our policies, procedures and platforms, in response to marketplace developments. We seek to continuously improve and enhance aspects of our operations and service offerings in order to position our advisors for long-term growth and to align with competitive and regulatory developments. For example, we regularly review the structure and fees of our products and services, including related disclosures, in the context of the changing regulatory environment and competitive landscape for advisory and brokerage accounts.

Significant Events

Resumed share repurchases and approved additional share repurchase program

During the second quarter we resumed our share repurchase program, with \$309.5 million repurchased during the second quarter and approximately \$300 million of repurchases planned for the third quarter. From July 1, 2026 through July 30, 2026, the Company has repurchased 420,464 outstanding shares for a total of \$134.3 million. On July 23, 2026, the Board authorized a new repurchase program that increases the amount available for repurchases of the Company's issued and outstanding common shares by \$2.5 billion.

Executive Summary

Financial Highlights

Results for the second quarter of 2026 included net income of \$379.3 million, or \$4.74 per diluted share, which compares to net income of \$273.2 million, or \$3.40 per diluted share, for the second quarter of 2025.

Asset Trends

Total advisory and brokerage assets served were \$2.6 trillion at June 30, 2026, compared to \$1.9 trillion at June 30, 2025. Total net new assets were \$23.6 billion for the three months ended June 30, 2026, compared to \$20.5 billion for the same period in 2025.

Net new advisory assets were \$30.7 billion for the three months ended June 30, 2026, compared to \$23.1 billion for the same period in 2025. Advisory assets were \$1.5 trillion, or 60% of total advisory and brokerage assets served, at June 30, 2026, up 46% from \$1.1 trillion at June 30, 2025.

Net new brokerage assets were an outflow of \$7.1 billion for the three months ended June 30, 2026, compared to an outflow of \$2.6 billion for the same period in 2025. Brokerage assets were \$1.0 trillion at June 30, 2026, up 18% from \$858.5 billion at June 30, 2025.

Gross Profit Trend

Gross profit, a non-GAAP financial measure, was \$1.6 billion for the three months ended June 30, 2026, an increase of 24% from \$1.3 billion for the three months ended June 30, 2025. See the *"Key Performance Metrics"* section for additional information on gross profit.

Common Stock Dividends and Share Repurchases

During the three months ended June 30, 2026, we paid stockholders cash dividends of \$24.0 million and repurchased approximately 1.1 million of our outstanding shares for a total of \$309.5 million.

Key Performance Metrics

We focus on several key metrics in evaluating the success of our business relationships and our resulting financial position and operating performance. Our key operating, business and financial metrics are as follows:

	As of and for the Three Months Ended		
	June 30, 2026	March 31, 2026	June 30, 2025
Operating Metrics (dollars in billions)⁽¹⁾			
Advisory and Brokerage Assets⁽²⁾			
Advisory assets	\$ 1,548.4	\$ 1,390.4	\$ 1,060.7
Brokerage assets	1,014.3	945.9	858.5
Total Advisory and Brokerage Assets	\$ 2,562.7	\$ 2,336.3	\$ 1,919.2
Advisory as a % of total Advisory and Brokerage Assets	60.4%	59.5%	55.3%
Net New Assets⁽³⁾			
Net new advisory assets	\$ 30.7	\$ 25.8	\$ 23.1
Net new brokerage assets	(7.1)	(4.4)	(2.6)
Total Net New Assets	\$ 23.6	\$ 21.4	\$ 20.5
Organic Net New Assets			
Organic net new advisory assets	\$ 30.2	\$ 25.8	\$ 23.1
Organic net new brokerage assets	(7.1)	(4.4)	(2.6)
Total Organic Net New Assets	\$ 23.1	\$ 21.4	\$ 20.5
Organic advisory net new assets annualized growth ⁽⁴⁾	8.7%	7.4%	9.5%
Total organic net new assets annualized growth ⁽⁴⁾	4.0%	3.6%	4.6%
Client Cash Balances			
Insured cash account sweep	\$ 38.4	\$ 39.8	\$ 34.2
Deposit cash account sweep	15.6	15.9	10.8
Total Bank Sweep	54.1	55.7	44.9
Money market sweep	1.1	1.5	3.7
Total Client Cash Sweep Held by Third Parties	55.2	57.2	48.6
Client cash account	1.7	2.0	2.0
Total Client Cash Balances	\$ 56.9	\$ 59.1	\$ 50.6
Client Cash Balances as a % of Total Assets	2.2%	2.5%	2.6%
Net buy (sell) activity ⁽⁵⁾	\$ 39.7	\$ 43.2	\$ 36.6
	As of and for the Three Months Ended		
	June 30, 2026	March 31, 2026	June 30, 2025
Business and Financial Metrics (dollars in millions)			
Advisors	32,475	32,144	29,353
Average total assets per advisor ⁽⁶⁾	\$ 78.9	\$ 72.7	\$ 65.4
Share repurchases	\$ 309.5	\$ —	\$ —
Dividends	\$ 24.0	\$ 24.1	\$ 24.0
Leverage ratio ⁽⁷⁾	1.91	1.86	1.23

<i>Financial Metrics (dollars in millions, except per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenue	\$ 5,186.6	\$ 3,835.0	\$ 10,125.1	\$ 7,505.0
Net income	\$ 379.3	\$ 273.2	\$ 735.7	\$ 591.8
Earnings per share ("EPS"), diluted	\$ 4.74	\$ 3.40	\$ 9.17	\$ 7.61
<i>Non-GAAP Financial Metrics (dollars in millions, except per share data)</i>				
Adjusted EPS ⁽⁸⁾	\$ 5.84	\$ 4.51	\$ 11.45	\$ 9.64
Gross profit ⁽⁹⁾	\$ 1,618.3	\$ 1,304.3	\$ 3,211.0	\$ 2,576.9
Adjusted EBITDA ⁽¹⁰⁾	\$ 846.7	\$ 688.3	\$ 1,665.7	\$ 1,370.7
Core G&A ⁽¹¹⁾	\$ 519.3	\$ 425.6	\$ 1,051.3	\$ 838.7

- (1) Totals may not foot due to rounding.
- (2) Consists of total advisory and brokerage assets under custody at the Company's primary broker-dealer subsidiary, LPL Financial LLC ("LPL Financial"), as well as assets under custody of a third-party custodian related to Commonwealth Equity Services, LLC ("CES") and Atria Wealth Solutions, Inc.'s ("Atria") introducing broker-dealer subsidiaries. Please consult the "Results of Operations" section for a tabular presentation of advisory and brokerage assets.
- (3) Consists of total client deposits into advisory or brokerage accounts less total client withdrawals from advisory or brokerage accounts, plus dividends, plus interest, minus advisory fees. We consider conversions from and to brokerage or advisory accounts as deposits and withdrawals, respectively.
- (4) Calculated as annualized current period organic net new assets divided by preceding period assets in their respective categories of advisory assets or total advisory and brokerage assets.
- (5) Represents the amount of securities purchased less the amount of securities sold in client accounts custodied with LPL Financial.
- (6) Calculated based on the end of period total advisory and brokerage assets divided by the end of period advisor count.
- (7) The leverage ratio is a financial metric from our Credit Agreement and is calculated by dividing Credit Agreement net debt, which equals consolidated total debt less Corporate Cash, by Credit Agreement EBITDA. Credit Agreement EBITDA, a non-GAAP financial measure, is defined in the Credit Agreement as "Consolidated EBITDA," which is Consolidated Net Income (as defined in the Credit Agreement) plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles, and is further adjusted to exclude certain non-cash charges and other adjustments, and to include future expected cost savings, operating expense reductions or other synergies from certain transactions. Please consult the "Debt and Related Covenants" section for more information. Below are reconciliations of corporate debt and other borrowings to Credit Agreement net debt as of the dates below and net income to EBITDA and Credit Agreement EBITDA for the trailing twelve-month periods presented (in millions):

	June 30, 2026	March 31, 2026	June 30, 2025
Credit Agreement Net Debt Reconciliation			
Corporate debt and other borrowings	\$ 7,496.0	\$ 7,220.0	\$ 7,220.0
Corporate Cash ⁽¹²⁾	(430.1)	(567.3)	(3,617.0)
Credit Agreement Net Debt⁽¹⁾	\$ 7,065.9	\$ 6,652.7	\$ 3,603.0
	June 30, 2026	March 31, 2026	June 30, 2025
EBITDA and Credit Agreement EBITDA Reconciliation			
Net income	\$ 1,006.9	\$ 900.9	\$ 1,117.9
Interest expense on borrowings	413.7	417.8	341.3
Provision for income taxes	356.7	316.0	356.8
Depreciation and amortization	420.4	406.8	359.0
Amortization of other intangibles	285.1	260.3	164.7
EBITDA⁽¹⁾	\$ 2,482.7	\$ 2,301.8	\$ 2,339.6
Credit Agreement Adjustments:			
Acquisition costs and other ⁽¹³⁾	\$ 766.9	\$ 796.4	\$ 269.6
Employee share-based compensation	83.0	79.8	84.2
M&A accretion ⁽¹⁴⁾	359.9	394.6	222.2
Advisor share-based compensation	3.1	3.0	2.8
Loss on extinguishment of debt	—	—	4.0
Credit Agreement EBITDA⁽¹⁾	\$ 3,695.5	\$ 3,575.6	\$ 2,922.4
	June 30, 2026	March 31, 2026	June 30, 2025
Leverage Ratio	1.91	1.86	1.23

- (†) Totals may not foot due to rounding.

- (8) Adjusted EPS is a non-GAAP financial measure defined as adjusted net income, a non-GAAP financial measure defined as net income plus the after-tax impact of amortization of other intangibles and acquisition costs, divided by the weighted average number of diluted shares outstanding for the applicable period. The Company presents adjusted net income and adjusted EPS because management believes that these metrics can provide investors with useful insight into the Company's core operating performance by excluding non-cash items and acquisition costs that management does not believe impact the Company's ongoing operations. Adjusted net income and adjusted EPS are not measures of the Company's financial performance under GAAP and should not be considered as alternatives to net income, earnings per diluted share or any other performance measure derived in accordance with GAAP. Below is a reconciliation of net income and earnings per diluted share to adjusted net income and adjusted EPS for the periods presented (in millions, except per share data):

Adjusted Net Income / Adjusted EPS Reconciliation	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
Net income / earnings per diluted share	\$ 379.3	\$ 4.74	\$ 273.2	\$ 3.40	\$ 735.7	\$ 9.17	\$ 591.8	\$ 7.61
Amortization of other intangibles	70.9	0.89	46.1	0.57	138.1	1.72	89.6	1.15
Acquisition costs ⁽¹⁵⁾	49.0	0.61	74.9	0.93	110.2	1.37	123.4	1.59
Tax benefit	(31.4)	(0.39)	(31.4)	(0.39)	(65.5)	(0.82)	(55.4)	(0.71)
Adjusted Net Income / Adjusted EPS^(†)	\$ 467.7	\$ 5.84	\$ 362.8	\$ 4.51	\$ 918.5	\$ 11.45	\$ 749.5	\$ 9.64
Weighted-average shares outstanding, diluted	80.0		80.4		80.2		77.8	

(†) Totals may not foot due to rounding.

- (9) Gross profit is a non-GAAP financial measure defined as total revenue less advisory and commission expense; brokerage, clearing and exchange expense; and market fluctuations on employee deferred compensation. All other expense categories, including depreciation and amortization of property and equipment and amortization of other intangibles, are considered by management to be general and administrative in nature. Because our gross profit amounts do not include any depreciation and amortization expense, we consider our gross profit amounts to be non-GAAP financial measures that may not be comparable to those of others in our industry. We believe that gross profit amounts can provide investors with useful insight into our core operating performance before indirect costs that are general and administrative in nature. Below is a calculation of gross profit for the periods presented (in millions):

Gross Profit	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenue	\$ 5,186.6	\$ 3,835.0	\$ 10,125.1	\$ 7,505.0
Advisory and commission expense	3,507.2	2,483.2	6,798.4	4,837.1
Brokerage, clearing and exchange expense	52.0	43.3	107.5	87.4
Employee deferred compensation	9.2	4.3	8.2	3.6
Gross Profit^(†)	\$ 1,618.3	\$ 1,304.3	\$ 3,211.0	\$ 2,576.9

(†) Totals may not foot due to rounding.

- (10) EBITDA and adjusted EBITDA are non-GAAP financial measures. EBITDA is defined as net income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles. Adjusted EBITDA is defined as EBITDA plus acquisition costs excluding interest. The Company presents EBITDA and adjusted EBITDA because management believes that they can be useful financial metrics in understanding the Company's earnings from operations. EBITDA and adjusted EBITDA are not measures of the Company's financial performance under GAAP and should not be considered as alternatives to net income or any other performance measure derived in accordance with GAAP. Below is a reconciliation of net income to EBITDA and adjusted EBITDA for the periods presented (in millions):

EBITDA Reconciliation	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	\$ 379.3	\$ 273.2	\$ 735.7	\$ 591.8
Interest expense on borrowings	101.5	105.6	201.8	191.5
Provision for income taxes	136.2	95.6	264.4	194.2
Depreciation and amortization	109.8	96.2	215.6	188.6
Amortization of other intangibles	70.9	46.1	138.1	89.6
EBITDA^(†)	\$ 797.7	\$ 616.8	\$ 1,555.6	\$ 1,255.8
Acquisition costs excluding interest ⁽¹⁵⁾	49.0	71.6	110.2	115.0
Adjusted EBITDA^(†)	\$ 846.7	\$ 688.3	\$ 1,665.7	\$ 1,370.7

(†) Totals may not foot due to rounding.

(11) Core G&A is a non-GAAP financial measure defined as total expense less the following expenses: advisory and commission; depreciation and amortization; interest expense on borrowings; brokerage, clearing and exchange; amortization of other intangibles; market fluctuations on employee deferred compensation; promotional (ongoing); transition assistance loan amortization; acquisition costs excluding interest; employee share-based compensation; and regulatory charges. Management presents core G&A because it believes core G&A reflects the corporate expense categories over which management can generally exercise a measure of control, compared with expense items over which management either cannot exercise control, such as advisory and commission expense, or which management views as promotional expense necessary to support advisor growth and retention, including conferences and transition assistance. Core G&A is not a measure of the Company's total expense as calculated in accordance with GAAP. Below is a reconciliation of the Company's total expense to core G&A for the periods presented (in millions):

Core G&A Reconciliation	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total expense	\$ 4,671.1	\$ 3,466.2	\$ 9,125.0	\$ 6,719.0
Advisory and commission	(3,507.2)	(2,483.2)	(6,798.4)	(4,837.1)
Depreciation and amortization	(109.8)	(96.2)	(215.6)	(188.6)
Interest expense on borrowings	(101.5)	(105.6)	(201.8)	(191.5)
Brokerage, clearing and exchange	(52.0)	(43.3)	(107.5)	(87.4)
Amortization of other intangibles	(70.9)	(46.1)	(138.1)	(89.6)
Employee deferred compensation	(9.2)	(4.3)	(8.2)	(3.6)
Total G&A ^(†)	820.6	687.5	1,655.4	1,321.2
Promotional (ongoing) ⁽¹⁶⁾	(79.1)	(74.2)	(155.0)	(144.3)
Transition assistance loan amortization ⁽¹⁷⁾	(142.3)	(89.4)	(278.3)	(171.2)
Acquisition costs excluding interest ⁽¹⁵⁾	(49.0)	(71.6)	(110.2)	(115.0)
Employee share-based compensation	(22.7)	(19.5)	(44.9)	(37.9)
Regulatory charges	(8.2)	(7.3)	(15.7)	(14.2)
Core G&A ^(†)	\$ 519.3	\$ 425.6	\$ 1,051.3	\$ 838.7

(†) Totals may not foot due to rounding.

- (12) See the "Liquidity and Capital Resources" section for additional information about Corporate Cash. Corporate Cash at June 30, 2025 also includes certain of Atria's introducing broker-dealer subsidiaries.
- (13) Acquisition costs and other for the twelve months ending June 30, 2026 and March 31, 2026 primarily include costs related to acquisitions and the integration of the strategic relationship with Prudential Financial, Inc. Acquisition costs and other for the twelve months ending June 30, 2025 includes a \$26.4 million reduction related to the departure of the Company's former Chief Executive Officer, and an \$18.0 million regulatory charge related to a penalty proposed by the SEC as part of its civil investigation of the Company's compliance with certain elements of the Company's anti-money laundering compliance program.
- (14) M&A accretion is an adjustment to reflect the annualized expected run rate EBITDA of an acquisition as permitted by the Credit Agreement for up to eight fiscal quarters following the close of such acquisition. The increase in M&A accretion for the twelve months ending June 30, 2026 and March 31, 2026 as compared to the twelve months ending June 30, 2025 was primarily related to the impact of acquisitions.
- (15) Acquisition costs include the costs to setup, onboard and integrate acquired entities and other costs that were incurred as a result of acquisitions. The below table summarizes the primary components of acquisition costs for the periods presented (in millions):

Acquisition costs	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Compensation and benefits	\$ 20.2	\$ 16.1	\$ 42.7	\$ 33.5
Promotional ⁽¹⁶⁾	12.0	35.2	25.4	43.7
Professional services	10.9	11.1	22.5	17.2
Change in fair value of contingent consideration	(2.8)	0.3	4.7	6.9
Other	8.6	8.9	14.8	13.7
Acquisition costs excluding interest ^(†)	\$ 49.0	\$ 71.6	\$ 110.2	\$ 115.0
Interest	—	3.3	—	8.5
Acquisition costs ^(†)	\$ 49.0	\$ 74.9	\$ 110.2	\$ 123.4

(†) Totals may not foot due to rounding.

- (16) Promotional (ongoing) for the three and six months ended June 30, 2026 includes \$13.5 million and \$30.4 million, respectively, of support costs related to full-time employees that are classified within compensation and benefits expense in the condensed consolidated statements of income compared to \$21.2 million and \$36.0 million for the same periods in 2025. Promotional (ongoing) excludes costs that have been incurred as part of acquisitions, which are included in the Acquisition costs line item.
- (17) During the fourth quarter of 2025, the Company updated its definition of Promotional (ongoing) to exclude transition assistance loan amortization. As a result, transition assistance loan amortization is now disclosed as a separate line in Core G&A. Prior period disclosures have been updated to reflect these changes as applicable.

Legal and Regulatory Matters

The financial services industry is subject to extensive regulation by U.S. federal and state government agencies as well as various self-regulatory organizations. Compliance with all applicable laws and regulations involves a significant investment in time and resources, and we continue to invest in our compliance functions to monitor our adherence to the numerous legal and regulatory requirements applicable to our business. Any new laws or regulations applicable to our business, any changes to existing laws or regulations, or any changes to the interpretations or enforcement of those laws or regulations may affect our operations and/or financial condition. We seek to participate in the development of significant rules and regulations that govern our industry.

As a regulated entity, we are subject to regulatory oversight and inquiries related to, among other items, our compliance and supervisory systems and procedures and other controls, as well as our disclosures, supervision and reporting. Additional regulation and enhanced regulatory enforcement has resulted, and may result in the future, in changes to our service offerings and additional operational and compliance costs, as well as increased costs in the form of penalties and fines, investigatory and settlement costs, customer restitution and remediation related to regulatory matters. In the ordinary course of business, we periodically identify or become aware of purported inadequacies, deficiencies and other issues. It is our policy to evaluate these matters for potential legal or regulatory violations and other potential compliance issues. It is also our policy to self-report known violations and issues as required by applicable law and regulation. When deemed probable that matters may result in financial losses, we accrue for those losses based on an estimate of possible fines, customer restitution and losses related to the repurchase of sold securities and other losses, as applicable. Certain regulatory and other legal claims and losses may be covered through our wholly-owned captive insurance subsidiary, which is chartered with the insurance commissioner in the state of Tennessee.

Assessing the probability of a loss occurring and the timing and amount of any loss related to a regulatory matter or legal proceeding, whether or not covered by our captive insurance subsidiary, is inherently difficult and requires judgments based on a variety of factors and assumptions. There are particular uncertainties and complexities involved when assessing the adequacy of loss reserves for potential liabilities that are self-insured by our captive insurance subsidiary, which depends in part on historical claims experience, including the actual timing and costs of resolving matters that begin in one policy period and are resolved in a subsequent period.

Our accruals, including those established through our captive insurance subsidiary at June 30, 2026, include estimated costs for significant regulatory matters or legal proceedings, generally relating to the adequacy of our compliance and supervisory systems and procedures and other controls, for which we believe losses are both probable and reasonably estimable.

The outcome of regulatory or legal proceedings could result in legal liability, regulatory fines or monetary penalties in excess of our accruals and insurance, which could have a material adverse effect on our business, results of operations, cash flows or financial condition. For more information on management's loss contingency policies, see Note 10 - *Commitments and Contingencies*, within the notes to the condensed consolidated financial statements.

Economic Overview and Impact of Financial Market Events

Our business is directly and indirectly sensitive to several macroeconomic factors and the state of the financial markets in the United States. The equity markets rose during the second quarter of 2026, with the S&P 500 index rising 15.2% and Russell 2000 rising 21.2%.

Our business is also sensitive to current and expected short-term interest rates, which are largely driven by Federal Reserve ("Fed") policy. During the second quarter of 2026, Fed policymakers maintained the target federal funds rate with a range of 3.50% to 3.75%. To the extent they pursue faster easing in monetary policy, the Federal Open Market Committee members will continue to take into account the evolving economic outlook and balance of risks.

Please consult the *"Risks Related to Our Business and Industry"* section within Part I, *"Item 1A. Risk Factors"* in our 2025 Annual Report on Form 10-K for more information about the risks associated with significant interest rate changes and the potential related effects on our profitability and financial condition.

Results of Operations

The following discussion presents an analysis of our results of operations for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	% Change	2026	2025	% Change
REVENUE						
Advisory	\$ 2,632,405	\$ 1,717,738	53%	\$ 5,247,452	\$ 3,406,983	54%
Commission:						
Sales-based	728,155	619,792	17%	1,433,570	1,229,830	17%
Trailing	503,918	418,295	20%	990,537	856,014	16%
Total commission	1,232,073	1,038,087	19%	2,424,107	2,085,844	16%
Asset-based:						
Client cash	443,501	397,332	12%	888,826	789,363	13%
Other asset-based	391,643	305,015	28%	767,123	608,225	26%
Total asset-based	835,144	702,347	19%	1,655,949	1,397,588	18%
Service and fee	208,879	151,839	38%	419,863	297,038	41%
Transaction	83,216	60,541	37%	163,758	128,405	28%
Interest income, net	46,527	76,941	(40%)	91,707	120,792	(24%)
Other	148,379	87,532	70%	122,221	68,382	79%
Total revenue	5,186,623	3,835,025	35%	10,125,057	7,505,032	35%
EXPENSE						
Advisory and commission	3,507,164	2,483,165	41%	6,798,373	4,837,090	41%
Compensation and benefits	355,612	319,100	11%	724,352	624,646	16%
Promotional	220,030	177,552	24%	428,430	323,197	33%
Occupancy and equipment	125,542	81,443	54%	244,065	158,683	54%
Depreciation and amortization	109,805	96,231	14%	215,556	188,587	14%
Interest expense on borrowings	101,502	105,636	(4%)	201,794	191,498	5%
Amortization of other intangibles	70,886	46,103	54%	138,116	89,624	54%
Brokerage, clearing and exchange	52,018	43,290	20%	107,493	87,428	23%
Professional services	50,757	41,092	24%	101,138	77,418	31%
Communications and data processing	26,200	21,417	22%	49,667	40,923	21%
Other	51,603	51,192	1%	115,985	99,881	16%
Total expense	4,671,119	3,466,221	35%	9,124,969	6,718,975	36%
INCOME BEFORE PROVISION FOR INCOME TAXES	515,504	368,804	40%	1,000,088	786,057	27%
PROVISION FOR INCOME TAXES	136,243	95,555	43%	264,423	194,235	36%
NET INCOME	\$ 379,261	\$ 273,249	39%	\$ 735,665	\$ 591,822	24%

Revenue

Advisory

Advisory revenue represents fees charged to advisors' clients' advisory accounts on our corporate registered investment adviser ("RIA") advisory platform and is based on a percentage of the market value of the eligible assets in the clients' advisory accounts. We provide ongoing investment advice and act as a custodian, providing brokerage and execution services on transactions, and perform administrative services for these accounts. Advisory fees are primarily billed to clients on a quarterly basis in advance, and are recognized as revenue ratably during the quarter. The performance obligation for advisory fees is considered a series of distinct services that are substantially the same and are satisfied daily. As the value of the eligible assets in an advisory account is susceptible to changes due to customer activity, this revenue includes variable consideration and is constrained until the date that the fees are determinable. The majority of these client accounts are on a calendar quarter and are billed using values as of the last business day of the preceding quarter. The value of the eligible assets in an advisory account on the billing date is adjusted for contributions and withdrawals during the period to determine the amount of revenue earned in the period. Advisory revenue collected on our corporate RIA advisory platform is proposed by the advisor and agreed to by the client and was approximately 1% of the underlying assets for the six months ended June 30, 2026.

We also support independent RIA firms that conduct their business through our separate registered investment adviser firms ("Independent RIAs") advisory platform, which allows advisors to engage us for technology, clearing and custody services, as well as access the capabilities of our investment platforms. The assets held under an Independent RIA's investment advisory accounts custodied with LPL Financial are included in total advisory assets and net new advisory assets. However, the advisory revenue generated by an Independent RIA is not included in our advisory revenue. We charge separate fees to Independent RIAs for technology, clearing, administrative, oversight and custody services, which may vary and are included in our service and fee revenue in our condensed consolidated statements of income.

The following table summarizes the composition of advisory assets for the periods presented (in billions):

	June 30,		\$ Change	% Change
	2026	2025		
Corporate advisory assets	\$ 1,190.8	\$ 766.4	\$ 424.4	55%
Independent RIA advisory assets	357.6	294.3	63.3	22%
Total advisory assets	\$ 1,548.4	\$ 1,060.7	\$ 487.7	46%

Net new advisory assets are generated throughout the quarter, therefore, the full impact of net new advisory assets to advisory revenue is not realized in the same period. The following table summarizes activity impacting advisory assets for the periods presented (in billions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Balance - Beginning of period	\$ 1,390.4	\$ 977.4	\$ 1,392.7	\$ 957.0
Net new advisory assets ⁽¹⁾	30.7	23.1	56.5	60.7
Market impact ⁽²⁾	127.3	60.2	99.2	43.0
Balance - End of period	\$ 1,548.4	\$ 1,060.7	\$ 1,548.4	\$ 1,060.7

(1) Net new advisory assets consist of total client deposits into custodied advisory accounts less total client withdrawals from custodied advisory accounts, plus dividends, plus interest, minus advisory fees. We consider conversions from and to brokerage accounts as deposits and withdrawals, respectively.

(2) Market impact is the difference between the beginning and ending asset balance less the net new asset amounts, representing the implied growth or decline in asset balances due to market changes over the same period of time.

Advisory revenue increased during the three and six months ended June 30, 2026 as compared to the same periods in 2025 due primarily to an increase in advisory asset balances and the acquisition of Commonwealth.

Commission

We generate two types of commission revenue: (1) sales-based commissions that are recognized at the point of sale on the trade date and are based on a percentage of an investment product's current market value at the time of purchase and (2) trailing commissions that are recognized over time as earned and are generally based on the market value of investment holdings in trail-eligible assets. Sales-based commission revenue, which occurs when clients trade securities or purchase various types of investment products, primarily represents gross commissions generated by our advisors and can vary from period to period based on the overall economic environment, number of trading days in the reporting period and investment activity of our advisors' clients. We earn trailing commission revenue primarily on mutual funds and variable annuities held by clients of our advisors. See Note 3 - *Revenue*, within the notes to the condensed consolidated financial statements for further detail regarding our commission revenue by product category.

The following table sets forth the components of our commission revenue for the periods presented (in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	\$ Change	% Change	2026	2025	\$ Change	% Change
Sales-based	\$ 728,155	\$ 619,792	\$ 108,363	17%	\$ 1,433,570	\$ 1,229,830	\$ 203,740	17%
Trailing	503,918	418,295	85,623	20%	990,537	856,014	134,523	16%
Total commission revenue	\$ 1,232,073	\$ 1,038,087	\$ 193,986	19%	\$ 2,424,107	\$ 2,085,844	\$ 338,263	16%

The increase in sales-based commission revenue for the three and six months ended June 30, 2026 compared to 2025 was primarily driven by an increase in sales of annuities. The increase in trailing commission revenue for the three and six months ended June 30, 2026 compared to 2025 was primarily due to continued growth in trail earning assets held by customers and the acquisition of Commonwealth.

The following table summarizes activity impacting brokerage assets for the periods presented (in billions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Balance - Beginning of period	\$ 945.9	\$ 817.5	\$ 977.9	\$ 783.7
Net new brokerage assets ⁽¹⁾	(7.1)	(2.6)	(11.5)	38.6
Market impact ⁽²⁾	75.5	43.6	47.9	36.2
Balance - End of period	\$ 1,014.3	\$ 858.5	\$ 1,014.3	\$ 858.5

(1) Net new brokerage assets consist of total client deposits into brokerage accounts less total client withdrawals from brokerage accounts, plus dividends, plus interest. We consider conversions from and to advisory accounts as deposits and withdrawals, respectively.

(2) Market impact is the difference between the beginning and ending asset balance less the net new asset amounts, representing the implied growth or decline in asset balances due to market changes over the same period of time.

Asset-Based

Asset-based revenue consists of fees from our client cash programs, fees from our sponsorship programs with financial product manufacturers and fees from omnibus processing and networking services (collectively referred to as "recordkeeping"). Client cash revenue is generated on advisors' clients' cash balances in insured bank sweep accounts and money market accounts. We also receive fees from certain financial product manufacturers in connection with sponsorship programs that support our marketing and sales force education and training efforts. Compensation for these performance obligations is either a fixed fee, a percentage of the average annual amount of product sponsor assets held in advisors' clients' accounts, a percentage of new sales or a combination. Omnibus processing revenue is paid to us by mutual fund product sponsors or their affiliates and is based on the value of mutual fund assets in accounts for which the Company provides omnibus processing services and the number of accounts in which the related mutual fund positions are held. Networking revenue on brokerage assets is correlated to the number of positions we administer and is paid to us by mutual fund product sponsors and annuity product manufacturers.

Asset-based revenue for the three and six months ended June 30, 2026 increased by \$132.8 million and \$258.4 million, respectively, compared to the same periods in 2025 due to increases in client cash and other asset-based revenue. Other asset-based revenue for the three and six months ended June 30, 2026 increased compared to 2025 primarily due to increases in billable assets, recordkeeping and sponsorship program revenue. Client cash revenue for the three and six months ended June 30, 2026 increased compared to 2025 due to higher average

client cash balances during the three and six months ended June 30, 2026 as compared to 2025. For the three months ended June 30, 2026, our average client cash balances increased to \$53.9 billion compared to \$49.1 billion for the same period in 2025. For the six months ended June 30, 2026, our average client cash balances increased to \$54.7 billion compared to \$49.9 billion for the same period in 2025.

Service and Fee

Service and fee revenue is generated from advisor and retail investor services, including technology, insurance, conferences, licensing, business services and planning and advice services, Individual Retirement Account ("IRA") custodian and other client account fees. We charge separate fees to RIAs on our Independent RIA advisory platform for technology, clearing, administrative, oversight and custody services, which may vary. We also host certain advisor conferences that serve as training, education, sales and marketing events for which we charge sponsors a fee. Service and fee revenue for the three and six months ended June 30, 2026 increased compared to 2025, primarily due to the brokerage account fees assessed on retirement and non-retirement clients.

Transaction

Transaction revenue includes transaction charges generated in both advisory and brokerage accounts from mutual funds, exchange-traded funds and fixed income products. Transaction revenue for the three and six months ended June 30, 2026 increased compared to 2025, primarily due to increases in the number of transactions and transaction charges for managed assets.

Other Revenue

Other revenue primarily includes unrealized gains and losses on assets held by us in our advisor non-qualified deferred compensation plan and model research portfolios and other miscellaneous revenue, which is not generated from contracts with customers. Other revenue increased for the three and six months ended June 30, 2026 as compared to 2025 primarily due to an increase in unrealized gains in our deferred compensation plan assets.

Expense

Advisory and Commission

Advisory and commission expense consists of the following: payout amounts that are earned by and paid out to advisors and institutions based on advisory and commission revenue earned on each client's account, production-based bonuses earned by advisors and institutions based on the levels of advisory and commission revenue they produce, compensation and benefits paid to employee advisors, share-based compensation expense from equity awards granted to advisors and institutions based on the fair value of the awards at grant date and the deferred advisory and commission fee expense associated with mark-to-market gains or losses on the non-qualified deferred compensation plan offered to our advisors.

The following table sets forth our payout rate, which is a statistical or operating measure, for the periods presented:

	Three Months Ended June 30,		Change	Six Months Ended June 30,		Change
	2026	2025		2026	2025	
Payout rate	87.44%	87.33%	11 bps	87.33%	87.04%	29 bps

Our payout rate for the three and six months ended June 30, 2026 increased compared to 2025, primarily due to changes in the mix of brokerage products and advisory platforms.

Compensation and Benefits

Compensation and benefits expense includes salaries, wages, benefits, share-based compensation and related taxes for our employees, as well as compensation for temporary workers and contractors. The following table sets forth the number of employees for the periods presented:

	June 30,		Change
	2026	2025	
Number of employees	10,081	9,389	7%

Compensation and benefits expense for the three and six months ended June 30, 2026 increased by \$36.5 million and \$99.7 million, respectively compared to 2025, primarily due to an increase in headcount.

Promotional

Promotional expense includes business development costs related to advisor recruitment and retention, costs related to hosting certain advisory conferences that serve as training, sales and marketing events, and other costs that support advisor business growth. Promotional expense for the three and six months ended June 30, 2026 increased by \$42.5 million and \$105.2 million, respectively, compared to 2025, primarily due to increases in recruited assets and advisors that led to higher costs to support transition assistance, retention, training and education, as well as increased legal expenses.

Occupancy and Equipment

Occupancy and equipment expense includes the costs of leasing and maintaining our office spaces, software licensing and maintenance costs, and maintenance expense on computer hardware and other equipment. Occupancy and equipment expense for the three and six months ended June 30, 2026 increased by \$44.1 million and \$85.4 million, respectively, compared to 2025, primarily due to increased expense related to software licenses and our technology portfolio.

Depreciation and Amortization

Depreciation and amortization expense relates to the use of property and equipment, which includes internally developed software, hardware, leasehold improvements and other equipment. Depreciation and amortization expense for the three and six months ended June 30, 2026 increased by \$13.6 million and \$27.0 million, respectively, compared to 2025, primarily due to our continued investment in technology to support integrations, enhance our advisor platform and experience, and support onboarding of institutions.

Interest Expense on Borrowings

Interest expense on borrowings includes the interest associated with the Company's senior notes, Term Loan A ("Term Loan A") and revolving credit facilities; amortization of debt issuance costs; and fees associated with the Company's revolving lines of credit. Interest expense on borrowings for the three months ended June 30, 2026 decreased by \$4.1 million as compared to 2025, primarily due to lower interest rates on our Term Loan A. Interest expense on borrowings increased by \$10.3 million for the six months ended June 30, 2026 as compared to 2025, primarily as a result of the issuance of \$1.25 billion and \$1.5 billion of senior unsecured notes in February 2025 and April 2025, respectively. See Note 9 - *Corporate Debt and Other Borrowings, Net*, within the notes to the condensed consolidated financial statements for additional information.

Amortization of Other Intangibles

Amortization of other intangibles represents the benefits received for the use of long-lived intangible assets established through our acquisitions. Amortization of other intangibles for the three and six months ended June 30, 2026 increased by \$24.8 million and \$48.5 million, respectively, compared to 2025, primarily due to additional intangible assets acquired in the past year. See Note 4 - *Acquisitions*, within the notes to the condensed consolidated financial statements for additional information.

Brokerage, Clearing and Exchange

Brokerage, clearing and exchange expense includes expenses originating from trading or clearing operations as well as any exchange membership fees. These fees fluctuate largely in line with the volume of sales and trading activity. Brokerage, clearing and exchange expense for the three and six months ended June 30, 2026 increased by \$8.7 million and \$20.1 million, respectively, compared to 2025, primarily due to an increase in clearing charges.

Professional Services

Professional services expense includes costs paid to outside firms for assistance with legal, accounting, technology, regulatory, marketing, and general corporate matters, as well as non-capitalized costs related to service and technology enhancements. Professional services expense for the three and six months ended June 30, 2026 increased by \$9.7 million and \$23.7 million, respectively, compared to 2025, primarily due to technology enhancement projects and acquisition-related support.

Other Expense

Other expense includes licensing fees, insurance, broker-dealer regulatory fees, travel-related expenses, fair value adjustments to contingent consideration liabilities, the costs of the investigation, settlement and resolution of regulatory matters (including customer restitution and remediation), and other miscellaneous expenses. Other

expense for the three and six months ended June 30, 2026 increased by \$0.4 million and \$16.1 million, respectively, compared to 2025, primarily due to increases in licensing fees, travel and events.

Provision for Income Taxes

Our effective income tax rate was 26.4% and 25.9% for the three months ended June 30, 2026 and 2025, respectively, and 26.4% and 24.7% for the six months ended June 30, 2026 and 2025, respectively. The Company's effective income tax rate differs from the federal corporate tax rate of 21.0%, primarily as a result of state taxes, reserves for uncertain tax positions and non-deductible expenses. Our effective income tax rate is reduced by tax benefits received from income tax credits as well as share-based compensation vesting and exercises. The increase in our effective tax rate for the six months ended June 30, 2026 was primarily driven by lower share-based compensation tax benefits as compared to the prior year.

Liquidity and Capital Resources

We have established liquidity and capital policies intended to support the execution of strategic initiatives, while meeting regulatory capital requirements and maintaining ongoing and sufficient liquidity. We believe liquidity is of critical importance to the Company and, in particular, to LPL Financial, our primary broker-dealer subsidiary. The objective of our policies is to ensure that we can meet our strategic, operational and regulatory liquidity and capital requirements under both normal operating conditions and under periods of stress in the financial markets.

Liquidity

Our liquidity needs are primarily driven by capital requirements at LPL Financial, interest due on our corporate debt and other capital returns to stockholders. Our liquidity needs at LPL Financial are driven primarily by the level and volatility of our client activity. Management maintains a set of liquidity sources and monitors certain business trends and market metrics closely in an effort to ensure we have sufficient liquidity. We believe that based on current levels of cash flows from operations and anticipated growth, together with available cash balances and external liquidity sources, including continued access to the equity and investment-grade debt markets, we have adequate liquidity to satisfy our short-term and long-term working capital needs, meet all of our obligations, and fund anticipated capital expenditures. The Company maintains ongoing access to the debt markets supported by our investment-grade credit profile, and we also have meaningful liquidity available at the parent level, which can be utilized to support funding needs across the organization as required.

Parent Company Liquidity

LPL Holdings, Inc. (the "Parent"), the direct holding company of our operating subsidiaries, considers its primary sources of liquidity to be dividends from and excess capital generated by LPL Financial, as well as capacity for additional borrowing under its \$2.25 billion unsecured revolving credit facility, which it has the ability to borrow against for working capital and general corporate purposes.

Dividends from and excess capital generated by LPL Financial are primarily generated through our cash flow from operations. Subject to regulatory approval or notification, capital generated by regulated subsidiaries can be distributed to the Parent to the extent the capital levels exceed regulatory requirements, Credit Agreement requirements and internal capital thresholds. During the six months ended June 30, 2026 and 2025, LPL Financial paid dividends of \$485.0 million and \$150.0 million to the Parent, respectively.

We believe Corporate Cash, a component of cash and equivalents, is a useful measure of the Parent's liquidity as it represents the capital available for use in excess of the amount we are required to maintain pursuant to the Credit Agreement. Corporate Cash is the sum of cash and equivalents from the following: (1) cash and equivalents held at the Parent, (2) cash and equivalents held at regulated subsidiaries as defined by the Credit Agreement, which include LPL Financial, LPL Enterprise, The Private Trust Company, N.A. ("PTC"), and CES, in excess of the capital requirements of the Credit Agreement and (3) cash and equivalents held at non-regulated subsidiaries.

The following table presents the components of Corporate Cash (in thousands):

	June 30, 2026		December 31, 2025	
Cash and equivalents	\$	1,275,690	\$	1,037,378
Cash at regulated subsidiaries		(1,221,009)		(925,356)
Excess cash at regulated subsidiaries per the Credit Agreement		375,379		357,693
Corporate Cash	\$	430,060	\$	469,715
Corporate Cash				
Cash at the Parent	\$	16,807	\$	19,368
Excess cash at regulated subsidiaries per the Credit Agreement		375,379		357,693
Cash at non-regulated subsidiaries		37,874		92,654
Corporate Cash	\$	430,060	\$	469,715

Corporate Cash is monitored as part of our liquidity risk management strategy. Corporate Cash decreased by \$39.7 million during the six months ended June 30, 2026 as we continue our normal course of operations and reinvestments into the business.

We actively monitor changes to our liquidity needs caused by general business volumes and price volatility, including higher margin requirements of clearing corporations and exchanges, and stress scenarios involving a sustained market downturn and the persistence of current interest rates. We believe that based on current levels of operations and anticipated growth, our cash flow from operations, together with other available sources of funds, which include five uncommitted lines of credit, the revolving credit facility established through our Credit Agreement and the committed revolving credit facility of LPL Financial, will provide us with adequate liquidity to satisfy our short-term and long-term working capital needs, the payment of all of our obligations and the funding of anticipated capital expenditures.

We regularly evaluate our existing indebtedness, including potential issuances and refinancing opportunities, based on a number of factors, including our capital requirements, future prospects, contractual restrictions, the availability of refinancing on attractive terms and general market conditions. As of June 30, 2026, the earliest principal maturity date for our corporate debt with outstanding balances is in 2027 and our revolving credit facilities and uncommitted lines of credit mature between 2026 and 2029.

Share Repurchases

We engage in a share repurchase program that was approved by our Board, pursuant to which we may repurchase our issued and outstanding shares of common stock from time to time. Purchases may be effected in open market or privately negotiated transactions. Our current capital deployment framework remains focused on investing in organic growth first, pursuing acquisitions where appropriate and returning excess capital to stockholders. We repurchased 1.1 million shares for a total of \$309.5 million during the six months ended June 30, 2026. As of June 30, 2026, we had \$320.5 million remaining under our existing repurchase program. From July 1, 2026 through July 30, 2026, the Company has repurchased 420,464 outstanding shares for a total of \$134.3 million. On July 23, 2026, the Board authorized a new repurchase program that increases the amount available for repurchases of the Company's issued and outstanding common shares by \$2.5 billion. The timing and amount of share repurchases, if any, is determined at our discretion within the constraints of our Credit Agreement, applicable laws and consideration of our general liquidity needs. See Part II, Item 2 - *Unregistered Sales of Equity Securities and Use of Proceeds* and Note 11 - *Stockholders' Equity*, within the notes to the condensed consolidated financial statements for additional information regarding our share repurchases.

Common Stock Dividends

The payment, timing and amount of any dividends are subject to approval by LPLFH's Board, as well as certain limits under our Credit Agreement. See Note 11 - *Stockholders' Equity*, within the notes to the condensed consolidated financial statements for additional information regarding our dividends.

LPL Financial Liquidity

LPL Financial relies primarily on client payables to fund margin lending. LPL Financial maintains additional liquidity through external lines of credit totaling \$1.2 billion at June 30, 2026, as well as two additional lines of credit with unspecified limits. LPL Financial also maintains a line of credit with the Parent.

External Liquidity Sources

The following table presents amounts outstanding and available under our external lines of credit at June 30, 2026 (in millions):

Description	Borrower	Maturity Date	Outstanding		Available	
Senior unsecured, revolving credit facility	LPL Holdings, Inc.	May 2029	\$	276	\$	1,973
Broker-dealer revolving credit facility	LPL Financial LLC	May 2027	\$	—	\$	1,000
Unsecured, uncommitted lines of credit	LPL Financial LLC	None	\$	—	\$	75
Unsecured, uncommitted lines of credit	LPL Financial LLC	September 2026	\$	—	\$	50
Secured, uncommitted lines of credit	LPL Financial LLC	March 2028	\$	—	\$	75
Secured, uncommitted lines of credit	LPL Financial LLC	None	\$	—		unspecified
Secured, uncommitted lines of credit	LPL Financial LLC	None	\$	—		unspecified

Capital Resources

The Company seeks to manage capital levels in support of its business strategy of generating and effectively deploying capital for the benefit of our stockholders.

Our primary requirement for working capital relates to funds we loan to our advisors' clients for trading conducted on margin and funds we are required to maintain for regulatory capital and reserves based on the requirements of our regulators and clearing organizations, which also consider client balances and trading activities. We have several sources of funds that enable us to meet increases in working capital requirements that relate to increases in client margin activities and balances. These sources include cash and equivalents on hand, the committed revolving credit facility of LPL Financial and proceeds from repurchasing or selling client securities in margin accounts. When an advisor's client purchases securities on margin or uses securities as collateral to borrow from us on margin, we are permitted, pursuant to the applicable securities industry regulations, to repledge, loan or sell securities, up to 140% of the client's margin loan balance, that collateralize those margin accounts.

Our other working capital needs are primarily related to loans we are making to advisors and timing associated with receivables and payables, which we have satisfied in the past from internally generated cash flows.

We may sometimes be required to fund capital requirements necessary to effect client transactions in securities markets and cash sweep balances held at third-party banks that arise from the delayed receipt of client funds. These capital requirements are funded either with internally generated cash flows or, if needed, with funds drawn on our uncommitted lines of credit at LPL Financial or one of our revolving credit facilities.

Our broker-dealer subsidiaries are subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1 under the Exchange Act), which requires the maintenance of minimum net capital. LPL Financial, our primary broker-dealer subsidiary, computes net capital requirements under the alternative method, which requires firms to maintain minimum net capital equal to the greater of \$250,000 or 2% of aggregate debit balances arising from client transactions.

The following table presents the net capital position of the Company's primary broker-dealer subsidiary (in thousands):

		June 30, 2026
LPL Financial LLC		
Net capital	\$	375,032
Less: required net capital		28,981
Excess net capital	\$	346,051

Payment by our broker-dealer subsidiaries of dividends greater than 10% of their respective excess net capital during any 35-day rolling period requires approval from FINRA. In addition, each broker-dealer subsidiary's ability to pay dividends would be restricted if its net capital would be less than 5% of aggregate customer debit balances.

LPL Financial also acts as an introducing broker-dealer for commodities and futures. Accordingly, its trading activities are subject to the National Futures Association's ("NFA") financial requirements and it is required to maintain net capital that is in excess of or equal to the greatest of NFA's minimum financial requirements. The NFA was designated by the Commodity Futures Trading Commission as LPL Financial's primary regulator for such activities. Currently, the highest NFA requirement is the minimum net capital calculated and required pursuant to the SEC's Uniform Net Capital Rule.

Our other regulated subsidiaries, including LPL Enterprise, Commonwealth's introducing broker-dealer subsidiary, and PTC, are also subject to various regulatory capital requirements. Failure to meet the respective minimum capital requirements can result in certain mandatory and discretionary actions by regulators that, if undertaken, could have substantial monetary and non-monetary impacts on these subsidiaries' operations. As of June 30, 2026, the Company's other regulated subsidiaries met all capital adequacy requirements to which they were subject.

Supplemental Guarantor Financial Information

LPL Holdings, Inc. (the "Issuer"), a wholly owned subsidiary of LPL Financial Holdings Inc. ("LPLFH" and together with the Issuer, the "Obligor Group"), has in the past, and may in the future, issue, among other things, non-convertible debt securities that include full and unconditional guarantees by LPLFH. The debt securities issued by the Issuer may be fully and unconditionally guaranteed by LPLFH. LPLFH is a Delaware holding corporation that manages substantially all of its operations through investments in subsidiaries. See Note 1 - *Organization and Description of the Company* and Note 9 - *Corporate Debt and Other Borrowings, Net*, within the notes to the condensed consolidated financial statements for additional information.

Pursuant to Rule 3-10 of Regulation S-X under the Securities Act of 1933, as amended, the following tables present unaudited summarized financial information for the Obligor Group on a combined basis. Balances and transactions between the Obligor Group have been eliminated. Financial information for non-guarantor subsidiaries, which includes all other subsidiaries of the Issuer, has been excluded and intercompany balances and transactions between the Obligor Group and non-guarantor subsidiaries are presented on separate lines. The summarized financial information below should be read in conjunction with the Company's condensed consolidated financial statements contained herein as the summarized financial information for the Obligor Group may not be indicative of results of operations or financial position of the Issuer or LPLFH had they operated as independent entities.

The following tables present the summarized financial information for the periods presented (in thousands):

LPL Holdings, Inc. & LPL Financial Holdings Inc.		
Six Months Ended June 30,		
2026		
Combined Summarized Statements of Income		
Revenues ⁽¹⁾	\$	105,815
Revenues from non-guarantor subsidiaries		9,322
Advisory and commission expense ⁽¹⁾		107,028
Interest expense on borrowings		199,831
Expenses from non-guarantor subsidiaries		14,093
Loss before provision for income taxes		(265,171)
Net loss		(195,536)

(1) Revenues primarily include unrealized gains and losses on assets held in the non-qualified deferred compensation plan offered to advisors and employees, while advisory and commission expense includes the deferred advisory and commission fee expense associated with mark-to-market gains or losses on the non-qualified deferred compensation plan offered to advisors.

Combined Summarized Statements of Financial Condition	LPL Holdings, Inc. & LPL Financial Holdings Inc.			
	June 30, 2026		December 31, 2025	
Cash and equivalents	\$	16,807	\$	19,368
Other receivables, net		3,901		3,090
Property and equipment, net		180,739		177,136
Goodwill		1,265,793		1,251,908
Other intangibles, net		43,696		39,819
Receivables from non-guarantor subsidiaries		47,320		105,657
Other assets		1,646,130		1,525,640
Corporate debt and other borrowings, net		7,460,510		7,258,694
Accounts payable and accrued liabilities		91,013		83,637
Payables to non-guarantor subsidiaries		86,363		85,228
Other liabilities		1,717,222		1,568,879

Debt and Related Covenants

The Credit Agreement contains a number of covenants that, among other things, restrict, subject to certain exceptions, our ability to:

- create liens;
- sell assets;
- engage in certain transactions with affiliates; and
- consolidate, merge or transfer all or substantially all of our assets.

In addition, our revolving credit facility requires us to be in compliance with certain financial covenants as of the last day of each fiscal quarter. The financial covenants require the calculation of Credit Agreement EBITDA, as defined in, and calculated by management in accordance with, the Credit Agreement. The Credit Agreement defines Credit Agreement EBITDA as "Consolidated EBITDA," which is Consolidated Net Income (as defined in the Credit Agreement) plus interest expense on borrowings, provision for income taxes, depreciation and amortization and amortization of other intangibles, and is further adjusted to exclude certain non-cash charges and other adjustments, and to include future expected cost savings, operating expense reductions or other synergies from certain transactions.

As of June 30, 2026, we were in compliance with our Credit Agreement financial covenants, which include a maximum Consolidated Total Debt to Consolidated EBITDA Ratio (as defined in the Credit Agreement) or "Leverage Ratio" and a minimum Consolidated EBITDA to Consolidated Interest Expense Ratio (as defined in the Credit Agreement) or "Interest Coverage." The breach of these financial covenants would be subject to certain equity cure rights. The required ratios under our financial covenants and actual ratios were as follows:

Financial Ratio	June 30, 2026	
	Covenant Requirement	Actual Ratio
Leverage Ratio (Maximum)	4.0	1.91
Interest Coverage (Minimum)	3.0	9.16

Certain restrictive covenants under certain of our Indentures are currently suspended. However, a credit rating downgrade to a below investment grade rating could cause currently suspended restrictive covenants under certain of our Indentures to be automatically reinstated.

See Note 9 - *Corporate Debt and Other Borrowings, Net*, within the notes to the condensed consolidated financial statements for additional information regarding the Credit Agreement.

Contractual Obligations

During the six months ended June 30, 2026, there were no material changes in our contractual obligations, other than in the ordinary course of business, from those disclosed in our 2025 Annual Report on Form 10-K. See Note 4 - *Acquisitions*, Note 9 - *Corporate Debt and Other Borrowings, Net* and Note 10 - *Commitments and Contingencies*, within the notes to the condensed consolidated financial statements, as well as the Contractual Obligations section within Part II, *"Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations"* in our 2025 Annual Report on Form 10-K, for further detail.

Risk Management

Risk is an inherent part of our business activities. To manage risk, we have implemented an enterprise risk management (“ERM”) framework that supports a resilient and adaptive risk-focused organization, designed to enable us to navigate uncertainties, make informed and consistent decisions, and seize growth opportunities. This framework facilitates the incorporation of risk assessment into decision-making processes, enables execution of our business strategy, and protects the Company and our franchise.

Our Company-wide risk appetite statement is a crucial component of our risk governance framework. It defines the overall level and types of risk we are prepared to accept in order to achieve our strategic objectives and business plan. This statement categorizes risks into strategic, technology, regulatory compliance, operational, liquidity, reputational, credit, interest rate, and market risks.

Additionally, this framework aims to ensure policies and procedures are in place and appropriately designed to identify and manage risk at appropriate levels throughout the Company and within various departments. We have established advisor-facing and internal written policies and procedures that govern the conduct of our advisors and employees. Our advisor-facing policies are specifically designed to provide guidelines and procedures that ensure advisors adhere to regulatory requirements and maintain ethical standards in their professional conduct while our internal policies cover a wide range of topics designed to promote compliance, consistency, risk management, and culture and values across the Company. Please consult the *“Risks Related to Our Technology”* and the *“Risks Related to Our Business and Industry”* sections within Part I, *“Item 1A. Risk Factors”* and the *“Risk Management”* section within Part II, *“Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations”* in our 2025 Annual Report on Form 10-K for more information about our risks, our risk management policies and procedures, the potential related effects on our operations, and our ERM framework.

Operational Risk

Operational risk refers to the risk of loss resulting from inadequate or failed processes and/or systems as a result of external events and is inherent in all Company activities. Please consult the *“Risk Management”* section within Part II, *“Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations”* included in our 2025 Annual Report on Form 10-K for more information about the operational risks that we face.

Regulatory and Compliance Risk

The regulatory environment in which we operate is discussed in detail within Part I, *“Item 1. Business”* in our 2025 Annual Report on Form 10-K. In recent years, and during the periods presented in this Quarterly Report on Form 10-Q, we have observed the SEC, FINRA, the U.S. Department of Labor and state regulators broaden the scope, frequency and depth of their examinations and inquiries to include greater emphasis on the quality, consistency and oversight of our compliance systems and programs. Please consult the *“Risks Related to Our Regulatory Environment”* and the *“Risks Related to Our Business and Industry”* sections within Part I, *“Item 1A. Risk Factors”* in our 2025 Annual Report on Form 10-K for more information about the risks associated with operating within our regulatory environment, pending regulatory matters and the potential related effects on our operations.

Critical Accounting Policies and Estimates

In the notes to our consolidated financial statements and in Part II, *“Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations”* included in our 2025 Annual Report on Form 10-K, we have disclosed those accounting policies that we consider to be most significant in determining our results of operations and financial condition and involve a higher degree of judgment and complexity. There have been no changes to those policies that we consider to be material since the filing of our 2025 Annual Report on Form 10-K. The accounting principles used in preparing our condensed consolidated financial statements conform in all material respects to GAAP.

Item 1. Financial Statements (unaudited)

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(In thousands, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
REVENUE				
Advisory	\$ 2,632,405	\$ 1,717,738	\$ 5,247,452	\$ 3,406,983
Commission:				
Sales-based	728,155	619,792	1,433,570	1,229,830
Trailing	503,918	418,295	990,537	856,014
Total commission	1,232,073	1,038,087	2,424,107	2,085,844
Asset-based:				
Client cash	443,501	397,332	888,826	789,363
Other asset-based	391,643	305,015	767,123	608,225
Total asset-based	835,144	702,347	1,655,949	1,397,588
Service and fee	208,879	151,839	419,863	297,038
Transaction	83,216	60,541	163,758	128,405
Interest income, net	46,527	76,941	91,707	120,792
Other	148,379	87,532	122,221	68,382
Total revenue	5,186,623	3,835,025	10,125,057	7,505,032
EXPENSE				
Advisory and commission	3,507,164	2,483,165	6,798,373	4,837,090
Compensation and benefits	355,612	319,100	724,352	624,646
Promotional	220,030	177,552	428,430	323,197
Occupancy and equipment	125,542	81,443	244,065	158,683
Depreciation and amortization	109,805	96,231	215,556	188,587
Interest expense on borrowings	101,502	105,636	201,794	191,498
Amortization of other intangibles	70,886	46,103	138,116	89,624
Brokerage, clearing and exchange	52,018	43,290	107,493	87,428
Professional services	50,757	41,092	101,138	77,418
Communications and data processing	26,200	21,417	49,667	40,923
Other	51,603	51,192	115,985	99,881
Total expense	4,671,119	3,466,221	9,124,969	6,718,975
INCOME BEFORE PROVISION FOR INCOME TAXES	515,504	368,804	1,000,088	786,057
PROVISION FOR INCOME TAXES	136,243	95,555	264,423	194,235
NET INCOME	\$ 379,261	\$ 273,249	\$ 735,665	\$ 591,822
Earnings per share, basic	\$ 4.75	\$ 3.42	\$ 9.20	\$ 7.66
Earnings per share, diluted	\$ 4.74	\$ 3.40	\$ 9.17	\$ 7.61
Weighted-average shares outstanding, basic	79,791	79,984	79,951	77,307
Weighted-average shares outstanding, diluted	80,032	80,373	80,243	77,760

See notes to unaudited condensed consolidated financial statements.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Financial Condition
(In thousands, except share data)
(Unaudited)

ASSETS	June 30, 2026	December 31, 2025
Cash and equivalents	\$ 1,275,690	\$ 1,037,378
Cash and equivalents segregated under federal or other regulations	1,420,167	1,792,064
Restricted cash	232,889	225,298
Receivables from clients, net	994,139	803,206
Receivables from brokers, dealers and clearing organizations	244,302	70,897
Advisor loans, net	3,889,372	3,681,512
Other receivables, net	1,427,985	1,203,539
Investment securities	203,499	91,528
Property and equipment, net	1,569,647	1,409,376
Goodwill	2,681,661	2,644,723
Other intangibles, net	3,433,597	3,330,788
Other assets	2,418,172	2,202,444
Total assets	\$ 19,791,120	\$ 18,492,753
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Client payables	\$ 2,256,333	\$ 2,308,275
Payables to brokers, dealers and clearing organizations	599,397	150,520
Accrued advisory and commission expenses payable	381,255	361,623
Corporate debt and other borrowings, net	7,460,510	7,258,694
Accounts payable and accrued liabilities	812,156	821,641
Other liabilities	2,524,629	2,247,515
Total liabilities	14,034,280	13,148,268
Commitments and contingencies (Note 10)		
Common stock, \$0.001 par value; 600,000,000 shares authorized; 136,822,289 and 136,637,544 shares issued at June 30, 2026 and December 31, 2025, respectively	137	136
Additional paid-in capital	3,898,694	3,843,017
Treasury stock, at cost — 57,660,516 and 56,576,672 shares at June 30, 2026 and December 31, 2025, respectively	(4,664,666)	(4,333,725)
Retained earnings	6,522,675	5,835,057
Total stockholders' equity	5,756,840	5,344,485
Total liabilities and stockholders' equity	\$ 19,791,120	\$ 18,492,753

See notes to unaudited condensed consolidated financial statements.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity
(In thousands)
(Unaudited)

Three Months Ended June 30, 2025

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — March 31, 2025	131,195	\$ 131	\$ 2,089,155	56,611	\$ (4,331,582)	\$ 5,366,079	\$ 3,123,783
Net income	—	—	—	—	—	273,249	273,249
Issuance of common stock to settle restricted stock units	25	—	—	3	(1,475)	—	(1,475)
Treasury stock purchases	—	—	—	—	240	—	240
Cash dividends on common stock - \$0.30 per share	—	—	—	—	—	(23,998)	(23,998)
Stock option exercises and other	(8)	—	316	(15)	542	4,216	5,074
Share-based compensation	—	—	20,322	—	—	—	20,322
Equity issuance	5,391	5	1,677,216	—	—	—	1,677,221
BALANCE — June 30, 2025	136,603	\$ 136	\$ 3,787,009	56,599	\$ (4,332,275)	\$ 5,619,546	\$ 5,074,416

Three Months Ended June 30, 2026

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — March 31, 2026	136,811	\$ 137	\$ 3,870,612	56,623	\$ (4,352,434)	\$ 6,167,387	\$ 5,685,702
Net income	—	—	—	—	—	379,261	379,261
Issuance of common stock to settle restricted stock units	10	—	—	3	(853)	—	(853)
Treasury stock purchases	—	—	—	1,055	(312,074)	—	(312,074)
Cash dividends on common stock - \$0.30 per share	—	—	—	—	—	(23,973)	(23,973)
Stock option exercises and other	1	—	4,501	(20)	695	—	5,196
Share-based compensation	—	—	23,581	—	—	—	23,581
BALANCE — June 30, 2026	136,822	\$ 137	\$ 3,898,694	57,661	\$ (4,664,666)	\$ 6,522,675	\$ 5,756,840

Six Months Ended June 30, 2025

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — December 31, 2024	130,915	\$ 131	\$ 2,066,268	56,254	\$ (4,202,322)	\$ 5,066,525	\$ 2,930,602
Net income	—	—	—	—	—	591,822	591,822
Issuance of common stock to settle restricted stock units	237	—	—	86	(31,001)	—	(31,001)
Treasury stock purchases	—	—	—	289	(100,004)	—	(100,004)
Cash dividends on common stock - \$0.60 per share	—	—	—	—	—	(46,390)	(46,390)
Stock option exercises and other	60	—	3,955	(30)	1,052	7,589	12,596
Share-based compensation	—	—	39,570	—	—	—	39,570
Equity issuance	5,391	5	1,677,216	—	—	—	1,677,221
BALANCE — June 30, 2025	136,603	\$ 136	\$ 3,787,009	56,599	\$ (4,332,275)	\$ 5,619,546	\$ 5,074,416

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Six Months Ended June 30, 2026

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — December 31, 2025	136,638	\$ 136	\$ 3,843,017	56,577	\$ (4,333,725)	\$ 5,835,057	\$ 5,344,485
Net income	—	—	—	—	—	735,665	735,665
Issuance of common stock to settle restricted stock units	172	—	—	63	(20,063)	—	(20,063)
Treasury stock purchases	—	—	—	1,055	(312,074)	—	(312,074)
Cash dividends on common stock - \$0.60 per share	—	—	—	—	—	(48,028)	(48,028)
Stock option exercises and other	12	1	9,037	(34)	1,196	(19)	10,215
Share-based compensation	—	—	46,640	—	—	—	46,640
BALANCE — June 30, 2026	136,822	\$ 137	\$ 3,898,694	57,661	\$ (4,664,666)	\$ 6,522,675	\$ 5,756,840

notes to unaudited condensed consolidated financial statements.

See

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 735,665	\$ 591,822
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	215,556	188,587
Amortization of other intangibles	138,116	89,624
Amortization of debt issuance costs	6,963	14,581
Share-based compensation	46,640	39,570
Provision for credit losses	13,656	3,195
Deferred benefit for income taxes	4,731	(178)
Change in estimated fair value of contingent consideration	4,729	6,903
Loan forgiveness	283,469	187,555
Other	4,063	4,998
Changes in operating assets and liabilities:		
Receivables from clients, net	(190,831)	(75,781)
Receivables from brokers, dealers and clearing organizations	(173,405)	(52,945)
Advisor loans, net	(502,964)	(449,518)
Other receivables, net	(231,927)	(67,956)
Investment securities - trading	(108,789)	(82,142)
Other assets	(128,241)	(189,883)
Client payables	(51,942)	191,855
Payables to brokers, dealers and clearing organizations	448,877	144,365
Accrued advisory and commission expenses payable	19,632	(20,382)
Accounts payable and accrued liabilities	(17,303)	(32,394)
Other liabilities	182,352	40,873
Operating leases	(6,697)	361
Net cash provided by operating activities	692,350	533,110
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(365,208)	(256,457)
Acquisitions, net of cash acquired	(234,110)	(190,129)
Purchases of securities classified as held-to-maturity	(2,491)	(2,498)
Proceeds from maturities of securities classified as held-to-maturity	2,500	2,500
Purchases of other investments	(12,064)	—
Capitalized interest	(5,583)	(3,044)
Net cash used in investing activities	(616,956)	(449,628)

Continued on following page

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2026	2025
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facilities	980,000	69,000
Repayments of revolving credit facilities	(783,000)	(1,116,000)
Proceeds from senior unsecured notes	—	2,744,930
Payment of debt issuance costs	(1,173)	(31,036)
Payment of contingent consideration	(29,133)	(33,207)
Tax payments related to settlement of restricted stock units	(20,063)	(31,001)
Proceeds from issuance of common stock	—	1,725,000
Payment of equity issuance costs	—	(47,779)
Repurchase of common stock	(309,476)	(100,004)
Dividends on common stock	(48,028)	(46,390)
Proceeds from stock option exercises and other	10,215	12,596
Principal payment of financing obligation	(730)	(222)
Principal payment of finance leases and obligations	—	(209)
Net cash (used in) provided by financing activities	(201,388)	3,145,678
NET (DECREASE) INCREASE IN CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH	(125,994)	3,229,160
CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH — Beginning of period	3,054,740	2,684,052
CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH — End of period	\$ 2,928,746	\$ 5,913,212
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	\$ 206,689	\$ 158,996
Income taxes paid	\$ 232,243	\$ 302,972
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 21,668	\$ 17,596
Cash paid for amounts included in the measurement of finance lease liabilities	\$ —	\$ 213
NONCASH DISCLOSURES:		
Capital expenditures included in accounts payable and accrued liabilities	\$ 49,856	\$ 33,822
Lease assets obtained in exchange for operating lease liabilities	\$ 32,724	\$ 30,235
Prefunded acquisition	\$ —	\$ 70,202
Contingent consideration and other liabilities recognized at acquisition date	\$ 26,599	\$ (9,245)
	June 30,	
	2026	2025
Cash and equivalents	\$ 1,275,690	\$ 4,185,337
Cash and equivalents segregated under federal or other regulations	1,420,167	1,611,200
Restricted cash	232,889	116,675
Total cash and equivalents, cash and equivalents segregated under federal or other regulations and restricted cash shown in the statements of cash flows	\$ 2,928,746	\$ 5,913,212

See notes to unaudited condensed consolidated financial statements.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 1 - ORGANIZATION AND DESCRIPTION OF THE COMPANY

LPL Financial Holdings Inc. ("LPLFH"), a Delaware holding corporation, together with its consolidated subsidiaries (collectively, the "Company"), provides an integrated platform of brokerage and investment advisory services to independent financial advisors and financial advisors at institutions (collectively, "advisors") in the United States. Through its custody and clearing platform, using both proprietary and third-party technology, the Company provides access to diversified financial products and services, enabling its advisors to offer personalized financial advice and brokerage services to retail investors (their "clients"). The Company's most significant, wholly owned subsidiaries are described below:

- LPL Holdings, Inc. ("LPLH" or "Parent") is an intermediate holding company and directly or indirectly owns 100% of the issued and outstanding common equity interests of all of LPLFH's indirect subsidiaries, including a captive insurance subsidiary that underwrites insurance for various legal and regulatory risks of the Company.
- LPL Financial LLC ("LPL Financial"), with primary offices in San Diego, California; Fort Mill, South Carolina; Tempe, Arizona; Boston, Massachusetts; Austin, Texas; and New York, New York, is a clearing broker-dealer and an investment adviser that principally transacts business for its advisors and institutions on behalf of their clients in a broad array of financial products and services. LPL Financial is licensed to operate in all 50 states, Washington D.C., Puerto Rico and the U.S. Virgin Islands.
- LPL Enterprise, LLC ("LPL Enterprise") is a limited product shelf introducing broker-dealer and registered investment adviser that supports a portion of the Company's institutional services' clients, providing brokerage and investment advisory services to the clients of those institutional businesses.
- LPL Insurance Associates, Inc. operates as an insurance brokerage general agency that offers life and disability insurance products and services for LPL Financial advisors.
- AW Subsidiary, Inc. is a holding company for Blaze Portfolio Systems LLC ("Blaze"), which provides an advisor-facing trading and portfolio rebalancing platform.
- PTC Holdings, Inc. ("PTCH") is a holding company for The Private Trust Company, N.A. ("PTC"). PTC is chartered as a non-depository limited purpose national bank, providing a wide range of trust, investment management oversight, and custodial services for estates and families. PTC also provides Individual Retirement Account ("IRA") custodial services for LPL Financial.
- LPL Employee Services, LLC and its subsidiary, Allen & Company of Florida, LLC, provide primary support for the Company's employee advisor affiliation model.
- CFN Holding Company, LLC ("CFN") is a holding company for Commonwealth Equity Services, LLC ("CES"), which is a registered broker-dealer and investment adviser that does business as Commonwealth Financial Network ("Commonwealth"). CES is an introducing broker-dealer that clears transactions through a third-party clearing and carrying firm. The Company expects to complete the conversion of assets from CES in the fourth quarter of 2026 and withdraw the related registrations of that entity thereafter.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These unaudited condensed consolidated financial statements ("condensed consolidated financial statements") are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), which require the Company to make estimates and assumptions regarding the valuation of certain financial instruments, acquisitions, contingent consideration, goodwill and other intangibles, allowance for credit losses on receivables, share-based compensation, accruals for liabilities, income taxes, revenue and expense accruals and other matters that affect the condensed consolidated financial statements and related disclosures. The condensed consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to present fairly the results of operations for the interim periods presented. Actual results could differ from those estimates under different assumptions or conditions and the differences may be material to the condensed consolidated financial statements.

The condensed consolidated financial statements include the accounts of LPLFH and its subsidiaries. Intercompany transactions and balances have been eliminated. The condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the related notes for the year ended December 31, 2025, contained in the Company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission ("SEC").

Recently Issued Accounting Pronouncements

In September 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-06 *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* to modernize the accounting for and disclosure of software costs. The ASU may be applied prospectively, retrospectively or via a modified transition approach and is effective for annual periods beginning after December 15, 2027, with early adoption permitted. We are currently assessing the amendment's impact on our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires public business entities to disclose, in interim and annual reporting periods, additional information about certain expenses in the notes to financial statements. The ASU should be applied prospectively and is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact on the related disclosures; however, it does not expect this update to have an impact on its financial condition or results of operations.

Recently Adopted Accounting Pronouncements

There were no new accounting pronouncements adopted during the six months ended June 30, 2026 that materially impacted the Company's condensed consolidated financial statements and related disclosures.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 3 - REVENUE

Commission

The following table presents total commission revenue disaggregated by product category (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Commission revenue				
Annuities	\$ 727,746	\$ 629,763	\$ 1,418,323	\$ 1,245,357
Mutual funds	262,044	223,317	528,100	457,213
Fixed income	82,014	53,014	167,337	114,566
Equities	58,751	47,811	116,291	96,885
Other	101,518	84,182	194,056	171,823
Total commission revenue	\$ 1,232,073	\$ 1,038,087	\$ 2,424,107	\$ 2,085,844

The following table presents sales-based and trailing commission revenue disaggregated by product category (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Commission revenue				
Sales-based				
Annuities	\$ 444,791	\$ 393,654	\$ 869,012	\$ 759,421
Fixed income	82,014	53,014	167,337	114,566
Equities	58,751	47,811	116,291	96,885
Mutual funds	53,993	52,301	112,004	107,908
Other	88,606	73,012	168,926	151,050
Total sales-based revenue	\$ 728,155	\$ 619,792	\$ 1,433,570	\$ 1,229,830
Trailing				
Annuities	\$ 282,955	\$ 236,109	\$ 549,311	\$ 485,936
Mutual funds	208,051	171,016	416,096	349,305
Other	12,912	11,170	25,130	20,773
Total trailing revenue	\$ 503,918	\$ 418,295	\$ 990,537	\$ 856,014
Total commission revenue	\$ 1,232,073	\$ 1,038,087	\$ 2,424,107	\$ 2,085,844

Asset-Based

The following table sets forth asset-based revenue disaggregated by product category (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Asset-based revenue				
Client cash	\$ 443,501	\$ 397,332	\$ 888,826	\$ 789,363
Sponsorship programs	235,519	171,715	459,168	342,253
Recordkeeping	156,124	133,300	307,955	265,972
Total asset-based revenue	\$ 835,144	\$ 702,347	\$ 1,655,949	\$ 1,397,588

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

Service and Fee

The following table sets forth service and fee revenue disaggregated by recognition pattern (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Service and fee revenue				
Over time ⁽¹⁾	\$ 156,923	\$ 113,003	\$ 315,694	\$ 222,761
Point-in-time ⁽²⁾	51,956	38,836	104,169	74,277
Total service and fee revenue	\$ 208,879	\$ 151,839	\$ 419,863	\$ 297,038

(1) Service and fee revenue recognized over time includes revenue such as brokerage account maintenance fees, error and omission insurance fees, and technology fees.

(2) Service and fee revenue recognized at a point-in-time includes revenue such as registration fees, account fees, and IRA termination fees.

Unearned Revenue

The Company records unearned revenue when cash payments are received or due in advance of the Company's performance obligations, including amounts which are refundable. Unearned revenue increased from \$265.0 million as of December 31, 2025 to \$329.2 million as of June 30, 2026. The increase in unearned revenue for the six months ended June 30, 2026 is primarily driven by cash payments received or due in advance of satisfying the Company's performance obligations, partially offset by \$264.3 million of revenue recognized during the six months ended June 30, 2026 that was included in the unearned revenue balance as of December 31, 2025.

The Company receives cash in advance for advisory services to be performed and conferences to be held in future periods. For advisory services, revenue is recognized as the Company provides the administration, brokerage and execution services over time to satisfy the performance obligations. For conference revenue, the Company recognizes revenue as the conferences are held.

NOTE 4 - ACQUISITIONS
Acquisitions Completed in the Current Period

During the six months ended June 30, 2026, the Company completed 13 acquisitions, five of which have been accounted for as business combinations and eight of which have been accounted for as asset acquisitions.

Business Combinations

The Company accounted for five acquisitions under the acquisition method of accounting for business combinations. Total consideration for these transactions was \$151.3 million, which included \$122.9 million of cash, and liabilities of \$26.6 million for contingent consideration, which represents the acquisition date fair value of the additional cash consideration that may be transferred to the sellers if certain asset growth is achieved in the years following the closing. This contingent consideration may be settled for amounts of up to \$68.5 million in the years following the closing.

At June 30, 2026, the purchase accounting analysis is still ongoing and may result in changes to the value of intangible assets and liabilities recorded. The Company had provisionally allocated \$40.0 million of the consideration to client relationships, which were assigned useful lives of 14 years, \$81.5 million to advisor relationships, which were assigned useful lives of 15 years, and \$29.8 million to goodwill. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

Asset Acquisitions

The Company accounted for eight acquisitions as asset acquisitions. These transactions included total initial consideration of \$57.6 million, including \$52.3 million which was allocated to client relationships and \$5.3 million which was allocated to advisor relationships. These relationships were assigned useful lives of 14 years and 15 years, respectively, and the related transactions include potential contingent payments of up to \$30.0 million in the

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

years following the closing if certain asset growth is achieved. The Company has not recognized a liability for these contingent payments as the amounts to be paid will be uncertain until a future measurement date. Additionally, the Company recognized customer relationships of \$34.5 million relating to cash paid for contingent consideration payments for asset acquisitions completed in prior periods for which the contingent period had ended in the current year. These customer relationships will be amortized over the remaining useful life of the asset that was initially recorded. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

Acquisitions Completed in Prior Periods

During the year ended December 31, 2025, the Company completed 34 acquisitions, six of which have been accounted for as business combinations and 28 of which were accounted for as asset acquisitions.

Business Combinations

Acquisition of Commonwealth Financial Network

On August 1, 2025, the Company acquired 100% of the outstanding equity interests of CFN, a privately-held independent wealth management firm headquartered in Massachusetts, in order to leverage its scale and enhance its capabilities. As part of the transaction, Commonwealth's advisory and brokerage assets are expected to transition to the Company's platform in the fourth quarter of 2026. Commonwealth's results were included in the Company's consolidated statements of income from August 1, 2025 through December 31, 2025 and consolidated statements of financial condition as of December 31, 2025. The Company accounted for the transaction under the acquisition method of accounting for business combinations.

The following table summarizes the cash funded at closing and total consideration transferred (dollars in thousands):

Cash Funded at Close		August 1, 2025
Cash consideration	\$	1,927,371
Cash for liabilities assumed ⁽¹⁾		405,823
Cash for post-combination expenses ⁽²⁾		419,049
Total cash funded at close	\$	2,752,243
Consideration		August 1, 2025
Cash	\$	1,927,371
Other liabilities incurred		90,414
Total consideration	\$	2,017,785

- (1) Liabilities assumed are reflected in the Accounts payable and accrued liabilities and Equity awards liability line items in the table below and were paid concurrently with the closing.
- (2) The post-combination expenses were paid at the closing and primarily included \$228.4 million of costs related to transaction bonuses and the acceleration of unvested equity awards which were classified as Compensation and benefits and \$190.1 million of costs related to certain contract termination fees which were classified as Occupancy and equipment in the condensed consolidated financial statements in the three months ended September 30, 2025.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table summarizes the Company's provisional purchase price allocation at August 1, 2025 (dollars in thousands):

Provisional Purchase Price Allocation⁽¹⁾	August 1, 2025
Fair value of consideration transferred	\$ 2,017,785
Assets	
Cash and equivalents	333,927
Restricted cash	95,414
Investment securities	43,719
Receivables from brokers, dealers and clearing organizations	1,839
Other receivables, net	55,788
Advisor loans, net	92,716
Property and equipment, net	7,769
Intangible assets	1,716,000
Other assets	58,330
Total identifiable assets acquired	\$ 2,405,502
Liabilities	
Accrued advisory and commission expenses payable	14,440
Accounts payable and accrued liabilities	57,012
Client payables	525
Equity awards liability	382,231
Unearned revenue	309,594
Other liabilities	54,302
Total liabilities assumed	\$ 818,104
Net assets acquired	1,587,398
Goodwill	\$ 430,387

(1) The Company recorded provisional purchase accounting adjustments during the six months ended June 30, 2026 which resulted in a \$7.1 million increase in other liabilities and goodwill, respectively. The purchase accounting analysis is ongoing and may result in changes to consideration based on working capital and other adjustments and the value of certain assets acquired and liabilities recorded.

The goodwill primarily includes synergies expected to result from combining operations and is deductible for tax purposes. Other intangible assets comprised \$1.7 billion of advisor relationships, which were assigned useful lives of 14 years, and \$26.0 million of trade name intangible, which was assigned a useful life of 16 years. See Note 7 - *Goodwill and Other Intangibles, Net* for additional information.

The fair value determination of certain assets acquired and liabilities assumed required the Company to make significant estimates and assumptions. Intangible assets were valued using an income approach with estimates and assumptions related to future net cash flows, discount and royalty rates. Advisor loans were valued using an income approach with assumptions related to net cash flows and conversion rates. The fair value of repayable loans was \$88.0 million and approximates its carrying value.

Acquisition related costs incurred as part of the Commonwealth acquisition during the three and six months ended June 30, 2026 were \$17.1 million and \$30.4 million, respectively, and primarily comprised amounts related to professional services, which were included in the Company's condensed consolidated statements of income.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table presents unaudited pro forma results as if the acquisition of Commonwealth had occurred on January 1, 2024 (dollars in thousands):

LPL Financial and Commonwealth Pro Forma Combined Financial Information (unaudited)	Three Months Ended June 30, 2025		Six Months Ended June 30, 2025	
Total revenue	\$	4,817,029	\$	8,895,171
Net income	\$	478,409	\$	712,370

The unaudited pro forma results above were prepared by combining the historical financial information of the Company and Commonwealth and making certain adjustments. Pro forma adjustments include the impact of amortization of intangible assets recognized as part of the acquisition, amortization of transition assistance loans made to advisors that will transition to the Company's platform in 2026, and the impact of related interest and issuance costs of financing the transaction. The unaudited pro forma information does not reflect the potential benefits of cost and funding synergies, opportunities to earn additional revenues or other factors, and, therefore, does not represent the actual results that would have occurred had the companies actually been combined as of January 1, 2024.

The Company financed this transaction through a combination of Corporate Cash, proceeds from the debt and equity issuances completed in April 2025, and borrowings under LPL Holdings, Inc.'s revolving credit facility. See Note 9 - *Corporate Debt and Other Borrowings, Net* and Note 11 - *Stockholders' Equity* for additional information.

Acquisition of The Investment Center, Inc. ("The Investment Center")

On March 4, 2025, the Company acquired The Investment Center for total consideration of \$72.6 million, which included \$72.2 million of cash and liabilities of \$0.4 million for contingent consideration. The Company was introduced to The Investment Center as part of the acquisition of Atria Wealth Solutions, Inc. ("Atria"), and the cash consideration was prefunded in 2024 in conjunction with the close of the Atria acquisition. The Company subsequently transitioned The Investment Center's brokerage and advisory assets to the Company's platform. The transaction also includes potential contingent consideration of up to \$10.4 million based on revenue growth in the years following the acquisition. The Company accounted for the acquisition under the acquisition method of accounting for business combinations. Acquisition related costs incurred during the year ended December 31, 2025 were \$6.0 million, primarily related to costs which were classified as compensation and benefits expenses and promotional expenses in the Company's consolidated statements of income. The Company recorded purchase accounting adjustments during the year ended December 31, 2025 which resulted in a \$2.0 million increase in cash consideration, a \$6.1 million decrease in other liabilities, a \$0.4 million decrease in advisor relationships, and a \$3.7 million decrease in goodwill. As of December 31, 2025, the Company had allocated \$43.5 million and \$29.1 million of the consideration to advisor relationships and goodwill, respectively. The advisor relationships were assigned a useful life of 16 years. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

Other Business Combinations

The Company accounted for four acquisitions under the acquisition method of accounting for business combinations during the year ended December 31, 2025. Total consideration for these transactions was \$75.2 million, which included \$58.3 million of cash, and liabilities of \$15.2 million for contingent consideration which represents the acquisition date fair value of the additional cash consideration that may be transferred to the sellers if certain asset or revenue growth metrics are achieved in the years following the closing. This contingent consideration may be settled for amounts of up to \$46.9 million in the years following the closing. The Company allocated \$63.3 million of the consideration to client relationships and \$0.3 million to advisor relationships, which were assigned useful lives of 14 years to 15 years, and \$11.6 million to goodwill.

Asset Acquisitions

The Company accounted for 28 other acquisitions as asset acquisitions during the year ended December 31, 2025. These transactions included total initial consideration of \$227.9 million, including \$222.4 million which was allocated to client relationships and \$5.5 million which was allocated to advisor relationships. These transactions include potential contingent payments of up to \$158.1 million in the years following the closing if certain asset growth is achieved. The Company has not recognized a liability for these contingent payments as the amounts to be paid will

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

be uncertain until a future measurement date. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

NOTE 5 - FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Inputs used to measure fair value are prioritized within a three-level fair value hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

There have been no transfers of assets or liabilities between these fair value measurement classifications during the six months ended June 30, 2026 or 2025.

The Company's fair value measurements are evaluated within the fair value hierarchy, based on the nature of inputs used to determine the fair value at the measurement date. At June 30, 2026 and December 31, 2025, the Company had the following financial assets and liabilities that are measured at fair value on a recurring basis:

Cash Equivalents — The Company's cash equivalents primarily include money market funds and U.S. government obligations, which are short term in nature with readily determinable values derived from active markets.

Cash Equivalents Segregated Under Federal or Other Regulations — The Company's cash equivalents segregated under federal or other regulations include U.S. treasury bills, which are short term in nature with readily determinable values derived from active markets.

Restricted Cash — The Company's restricted cash is primarily composed of U.S. government obligations and money market funds which are short term in nature with readily determinable values derived from active markets.

Trading Securities and Securities Sold, But Not Yet Purchased — The Company's trading securities consist of house account model portfolios established and managed for the purpose of benchmarking the performance of its fee-based advisory platforms and temporary positions resulting from the processing of client transactions.

The Company uses prices obtained from independent third-party pricing services to measure the fair value of its trading securities. Prices received from the pricing services are validated when security prices move beyond a certain deviation threshold using various methods including comparison to prices received from additional pricing services, comparison to available quoted market prices and review of other relevant market data including implied yields of major categories of securities. In general, these quoted prices are derived from active markets for identical assets or liabilities. When quoted prices in active markets for identical assets and liabilities are not available, the quoted prices are based on similar assets and liabilities or inputs other than the quoted prices that are observable, either directly or indirectly. For negotiable certificates of deposit and treasury securities, the Company utilizes market-based inputs, including observable market interest rates that correspond to the remaining maturities or the next interest reset dates. At June 30, 2026 and December 31, 2025, the Company did not adjust prices received from the independent third-party pricing services.

Other Assets — The Company's other assets include: (1) deferred compensation plan assets that are invested in life insurance, money market and other mutual funds, which are actively traded and valued based

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

on quoted market prices; and (2) certain non-traded real estate investment trusts, which are valued using quoted prices for identical or similar securities and other inputs that are observable or can be corroborated by observable market data.

Fractional Shares — The Company's investment in fractional shares held by customers is reflected in other assets while the related purchase obligation for such shares is reflected in other liabilities. The Company uses prices obtained from independent third-party pricing services to measure the fair value of its investment in fractional shares held by customers and the related repurchase obligation. Prices received from the pricing services are validated when security prices move beyond a certain deviation threshold using various methods including comparison to prices received from additional pricing services, comparison to available quoted market prices and review of other relevant market data including implied yields of major categories of securities. At June 30, 2026 and December 31, 2025, the Company did not adjust prices received from the independent third-party pricing services.

Contingent Consideration — The Company measures contingent consideration liabilities at fair value at the acquisition date, as applicable, and thereafter on a recurring basis using unobservable (Level 3) inputs. These contingent consideration liabilities are reflected in other liabilities. See Note 4 - *Acquisitions* for additional information.

Level 3 Recurring Fair Value Measurements

The Company determines the fair value for its contingent consideration obligations using probability weighted and Monte-Carlo simulation models. Contingent payments are estimated by applying significant unobservable inputs, including forecasted growth rates applied to project future revenue or asset growth, conversion or retention rates, and discount rates which are based on the cost of debt and equity. These projections are measured against the performance targets specified in each respective acquisition agreement, which may include growth in assets under management, net new assets, asset conversion or retention, or revenue growth. Significant increases or decreases in the Company's forecasted growth rates over the measurement period or discount rates would result in a higher or lower fair value measurement. The following tables summarize inputs used in the measurement of contingent consideration (dollars in thousands):

Quantitative Information About Level 3 Fair Value Measurements						
June 30, 2026	Type	Valuation Techniques	Unobservable Inputs		Range	
\$ 105,432	Contingent Consideration	Monte-Carlo Simulation Model	Forecasted Growth Rates		2.5 %	- 14.4 %
			Discount Rate		11.0 %	- 14.5 %
			Equivalency Rate ⁽¹⁾		4.6 %	- 5.1 %
2,200	Contingent Consideration	Probability Weighted Expected Return Method	Conversion Rate		— %	- 100.0 %
\$ 107,632						

(1) Equivalency rate is defined as the prevailing market interest rate used to discount future payments.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

Quantitative Information About Level 3 Fair Value Measurements							
December 31, 2025	Type	Valuation Techniques	Unobservable Inputs		Range		
\$ 115,464	Contingent Consideration	Monte-Carlo Simulation Model	Forecasted Growth Rates		1.3 %	-	26.0 %
			Discount Rate		12.0 %	-	17.9 %
			Equivalency Rate ⁽¹⁾		4.7 %	-	5.9 %
8,574	Contingent Consideration	Probability Weighted Expected Return Method	Equivalency Rate ⁽¹⁾		5.3 %	-	5.3 %
			Conversion Rate		— %	-	100.0 %
<u>\$ 124,038</u>							

(1) Equivalency rate is defined as the prevailing market interest rate used to discount future payments.

The following table summarizes the changes in fair value for the Company's Level 3 liabilities during the periods presented (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Balance - Beginning of period	\$ 134,277	\$ 161,372	\$ 124,038	\$ 196,898
Additions and purchase accounting adjustments	9,844	(9,374)	26,599	(9,245)
Payments	(33,695)	(27,458)	(47,734)	(69,707)
Fair value adjustments	(2,794)	309	4,729	6,903
Balance - End of period	<u>\$ 107,632</u>	<u>\$ 124,849</u>	<u>\$ 107,632</u>	<u>\$ 124,849</u>

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

Recurring Fair Value Measurements

The following table summarizes the Company's financial assets and financial liabilities measured at fair value on a recurring basis (in thousands):

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 55,840	\$ —	\$ —	55,840
Cash equivalents segregated under federal or other regulations	523,157	—	—	523,157
Restricted cash	138,459	—	—	138,459
Investment securities — trading:				
U.S. treasury obligations	140,031	—	—	140,031
Mutual funds	45,194	—	—	45,194
Equity securities	2,742	—	—	2,742
Debt securities	—	39	—	39
Total investment securities — trading	187,967	39	—	188,006
Other assets:				
Deferred compensation plan	1,247,873	—	—	1,247,873
Fractional shares — investment ⁽¹⁾	421,762	—	—	421,762
Other investments	—	1,926	—	1,926
Total other assets:	1,669,635	1,926	—	1,671,561
Total assets at fair value	\$ 2,575,058	\$ 1,965	\$ —	2,577,023
Liabilities				
Other liabilities:				
Securities sold, but not yet purchased:				
Equity securities	\$ 42	\$ —	\$ —	42
Debt securities	—	250	—	250
Total securities sold, but not yet purchased	42	250	—	292
Fractional shares — repurchase obligation ⁽¹⁾	421,762	—	—	421,762
Contingent consideration	—	—	107,632	107,632
Total other liabilities	421,804	250	107,632	529,686
Total liabilities at fair value	\$ 421,804	\$ 250	\$ 107,632	529,686

(1) Investment in and related repurchase obligation for fractional shares resulting from the Company's dividend reinvestment program ("DRIP").

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table summarizes the Company's financial assets and financial liabilities measured at fair value on a recurring basis (in thousands):

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 104,377	\$ —	\$ —	104,377
Cash equivalents segregated under federal or other regulations	821,334	—	—	821,334
Restricted cash	127,585	—	—	127,585
Investment securities — trading:				
U.S. treasury obligations	40,029	—	—	40,029
Mutual funds	33,559	—	—	33,559
Equity securities	2,505	—	—	2,505
Debt securities	—	15	—	15
Total investment securities — trading	76,093	15	—	76,108
Other assets:				
Deferred compensation plan	1,097,514	—	—	1,097,514
Fractional shares — investment ⁽¹⁾	371,683	—	—	371,683
Other investments	—	2,423	—	2,423
Total other assets	1,469,197	2,423	—	1,471,620
Total assets at fair value	\$ 2,598,586	\$ 2,438	\$ —	2,601,024
Liabilities				
Other liabilities:				
Securities sold, but not yet purchased:				
Equity securities	\$ 174	\$ —	\$ —	174
Total securities sold, but not yet purchased	174	—	—	174
Fractional shares — repurchase obligation ⁽¹⁾	371,683	—	—	371,683
Contingent consideration	—	—	124,038	124,038
Total other liabilities	371,857	—	124,038	495,895
Total liabilities at fair value	\$ 371,857	\$ —	\$ 124,038	495,895

(1) Investment in and related repurchase obligation for fractional shares resulting from the Company's DRIP.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

Fair Value of Financial Instruments Not Measured at Fair Value

The following tables summarize the carrying values, fair values and fair value hierarchy level classification of financial instruments that are not measured at fair value (in thousands):

June 30, 2026	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets					
Cash	\$ 1,219,850	\$ 1,219,850	\$ —	\$ —	1,219,850
Cash segregated under federal or other regulations	897,010	897,010	—	—	897,010
Restricted cash	94,430	94,430	—	—	94,430
Receivables from clients, net	994,139	—	994,139	—	994,139
Receivables from brokers, dealers and clearing organizations	244,302	—	244,302	—	244,302
Advisor repayable loans, net ⁽¹⁾	387,626	—	—	310,764	310,764
Other receivables, net	1,427,985	—	1,427,985	—	1,427,985
Investment securities — held-to-maturity securities	15,493	—	15,442	—	15,442
Other assets:					
Securities borrowed	3,506	—	3,506	—	3,506
Deferred compensation plan ⁽²⁾	13,481	13,481	—	—	13,481
Other investments ⁽³⁾	7,259	—	7,259	—	7,259
Total other assets	24,246	13,481	10,765	—	24,246
Liabilities					
Client payables	\$ 2,256,333	\$ —	\$ 2,256,333	\$ —	2,256,333
Payables to brokers, dealers and clearing organizations	599,397	—	599,397	—	599,397
Corporate debt and other borrowings, net	7,460,510	—	7,497,955	—	7,497,955
December 31, 2025					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets					
Cash	\$ 933,001	\$ 933,001	\$ —	\$ —	933,001
Cash segregated under federal or other regulations	970,730	970,730	—	—	970,730
Restricted cash	97,713	97,713	—	—	97,713
Receivables from clients, net	803,206	—	803,206	—	803,206
Receivables from brokers, dealers and clearing organizations	70,897	—	70,897	—	70,897
Advisor repayable loans, net ⁽¹⁾	406,793	—	—	335,050	335,050
Other receivables, net	1,203,539	—	1,203,539	—	1,203,539
Investment securities - held-to-maturity securities	15,420	—	15,520	—	15,520
Other assets:					
Deferred compensation plan ⁽²⁾	10,038	10,038	—	—	10,038
Securities borrowed	1,789	—	1,789	—	1,789
Other investments ⁽³⁾	7,874	—	7,874	—	7,874
Total other assets	19,701	10,038	9,663	—	19,701
Liabilities					
Client payables	\$ 2,308,275	\$ —	\$ 2,308,275	\$ —	2,308,275
Payables to brokers, dealers and clearing organizations	150,520	—	150,520	—	150,520
Corporate debt and other borrowings, net	7,258,694	—	7,420,447	—	7,420,447

(1) Includes repayable loans and forgivable loans which have converted to repayable upon advisor termination or change in agreed upon terms.

(2) Includes cash balances awaiting investment or distribution to plan participants.

(3) Other investments include Depository Trust Company common shares and Federal Reserve stock.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 6 - INVESTMENT SECURITIES

The Company's investment securities include debt and equity securities that the Company has classified as trading securities, which are carried at fair value, as well as investments in U.S. government notes, which are held by PTC to satisfy minimum capital requirements of the Office of the Comptroller of the Currency. The U.S. government notes are recorded at amortized cost and classified as held-to-maturity as the Company has both the intent and ability to hold these investments to maturity.

The following table summarizes investment securities (in thousands):

	June 30, 2026	December 31, 2025
Trading securities — at fair value:		
U.S. treasury obligations	\$ 140,031	\$ 40,029
Mutual funds	45,194	33,559
Equity securities	2,742	2,505
Debt securities	39	15
Total trading securities	<u>\$ 188,006</u>	<u>\$ 76,108</u>
Held-to-maturity securities — at amortized cost:		
U.S. government notes	\$ 15,493	15,420
Total held-to-maturity securities	<u>\$ 15,493</u>	<u>\$ 15,420</u>
Total investment securities	<u><u>\$ 203,499</u></u>	<u><u>\$ 91,528</u></u>

At June 30, 2026, the held-to-maturity securities were scheduled to mature as follows (in thousands):

	Within one year	After one but within five years	After five but within ten years	After ten years	Total
U.S. government notes — at amortized cost	\$ 5,428	\$ 10,065	\$ —	\$ —	15,493
U.S. government notes — at fair value	<u>\$ 5,446</u>	<u>\$ 9,996</u>	<u>\$ —</u>	<u>\$ —</u>	<u>15,442</u>

NOTE 7 - GOODWILL AND OTHER INTANGIBLES, NET

A summary of the activity impacting goodwill is presented below (in thousands):

Balance at December 31, 2024	\$ 2,172,873
Goodwill acquired	497,885
Purchase accounting adjustments	<u>(26,035)</u>
Balance at December 31, 2025	2,644,723
Goodwill acquired	29,854
Purchase accounting adjustments	<u>7,084</u>
Balance at June 30, 2026	<u><u>\$ 2,681,661</u></u>

The Company completed various acquisitions, which were accounted for under the acquisition method of accounting for business combinations and as asset acquisitions, and recorded purchase accounting adjustments during the periods presented. See Note 4 - *Acquisitions*, for additional information.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

The components of other intangibles, net were as follows at June 30, 2026 (in thousands):

	Weighted-Average Life Remaining (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-lived intangibles, net⁽¹⁾:				
Advisor and institution relationships	13.2	\$ 3,437,483	\$ (954,637)	\$ 2,482,846
Client relationships	11.9	1,064,017	(183,203)	880,814
Trade name	15.1	26,000	(1,490)	24,510
Technology	2.6	20,930	(16,325)	4,605
Product sponsor relationships	0.8	234,086	(233,083)	1,003
Total definite-lived intangible assets, net		\$ 4,782,516	\$ (1,388,738)	\$ 3,393,778
Other indefinite-lived intangibles:				
Trademark and trade name				39,819
Total other intangibles, net				\$ 3,433,597

(1) During the six months ended June 30, 2026, the Company completed various acquisitions. See Note 4 - *Acquisitions*, for additional information.

The components of other intangibles, net were as follows at December 31, 2025 (in thousands):

	Weighted-Average Life Remaining (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-lived intangibles, net⁽¹⁾:				
Advisor and institution relationships	13.6	\$ 3,350,706	\$ (859,100)	\$ 2,491,606
Client relationships	12.3	909,868	(143,039)	766,829
Trade name	15.6	26,000	(677)	25,323
Technology	3.0	20,930	(15,443)	5,487
Product sponsor relationships	1.2	234,086	(232,362)	1,724
Total definite-lived intangibles, net		\$ 4,541,590	\$ (1,250,621)	\$ 3,290,969
Other indefinite-lived intangibles:				
Trademark and trade name				39,819
Total other intangibles, net				\$ 3,330,788

(1) During the year ended December 31, 2025, the Company completed various acquisitions. See Note 4 - *Acquisitions*, for additional information.

Total amortization of other intangibles was \$70.9 million and \$46.1 million for the three months ended June 30, 2026 and 2025, respectively, and \$138.1 million and \$89.6 million for the six months ended June 30, 2026 and 2025, respectively. Future amortization is estimated as follows (in thousands):

2026 - remainder	\$ 138,407
2027	273,078
2028	271,380
2029	265,022
2030	262,544
Thereafter	2,183,347
Total	\$ 3,393,778

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 8 - OTHER ASSETS AND OTHER LIABILITIES

The components of other assets and other liabilities were as follows (dollars in thousands):

	June 30, 2026	December 31, 2025
Other assets:		
Deferred compensation	\$ 1,261,354	\$ 1,107,552
Prepaid assets	245,567	240,010
Fractional shares — investment	421,762	371,683
Deferred tax assets, net	73,491	78,222
Operating lease assets	187,720	173,544
Referral fee	119,755	106,038
Income tax receivables	24,083	53,245
Debt issuance costs, net	9,849	10,824
Other	74,591	61,326
Total other assets	\$ 2,418,172	\$ 2,202,444
Other liabilities:		
Deferred compensation	\$ 1,252,888	\$ 1,100,018
Unearned revenue	329,239	265,024
Fractional shares — repurchase obligation	421,762	371,683
Operating lease liabilities	224,851	203,970
Financing obligation liabilities	107,703	108,433
Taxes payable	75,590	69,348
Contingent consideration	107,632	124,038
Other	4,964	5,001
Total other liabilities	\$ 2,524,629	\$ 2,247,515

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 9 - CORPORATE DEBT AND OTHER BORROWINGS, NET

The Company's outstanding corporate debt and other borrowings, net were as follows (in thousands):

	June 30, 2026			December 31, 2025			
Corporate Debt	Balance	Applicable Margin	Interest Rate	Balance	Applicable Margin	Interest rate	Maturity
Term Loan A ⁽¹⁾	\$ 1,020,000	SOFR+125 bps	4.902 %	\$ 1,020,000	SOFR+125 bps	4.984 %	12/5/2028
2027 Senior Notes ⁽¹⁾	500,000	Fixed Rate	5.700 %	500,000	Fixed Rate	5.700 %	5/20/2027
2027 Senior Notes ⁽¹⁾	400,000	Fixed Rate	4.625 %	400,000	Fixed Rate	4.625 %	11/15/2027
2028 Senior Notes ⁽¹⁾	500,000	Fixed Rate	4.900 %	500,000	Fixed Rate	4.900 %	4/3/2028
2028 Senior Notes ⁽¹⁾	750,000	Fixed Rate	6.750 %	750,000	Fixed Rate	6.750 %	11/17/2028
2029 Senior Notes ⁽¹⁾	900,000	Fixed Rate	4.000 %	900,000	Fixed Rate	4.000 %	3/15/2029
2030 Senior Notes ⁽¹⁾	750,000	Fixed Rate	5.200 %	750,000	Fixed Rate	5.200 %	3/15/2030
2030 Senior Notes ⁽¹⁾	500,000	Fixed Rate	5.150 %	500,000	Fixed Rate	5.150 %	6/15/2030
2031 Senior Notes ⁽¹⁾	400,000	Fixed Rate	4.375 %	400,000	Fixed Rate	4.375 %	5/15/2031
2034 Senior Notes ⁽¹⁾	500,000	Fixed Rate	6.000 %	500,000	Fixed Rate	6.000 %	5/20/2034
2035 Senior Notes ⁽¹⁾	500,000	Fixed Rate	5.650 %	500,000	Fixed Rate	5.650 %	3/15/2035
2035 Senior Notes ⁽¹⁾	500,000	Fixed Rate	5.750 %	500,000	Fixed Rate	5.750 %	6/15/2035
Total Corporate Debt	7,220,000			7,220,000			
Less: Unamortized Debt Issuance Cost	(35,490)			(40,306)			
Corporate debt, net	\$ 7,184,510			\$ 7,179,694			
Other Borrowings							
Revolving Credit Facility	276,000	ABR+37.5 bps / SOFR+147.5 bps	5.099 %	79,000	ABR+37.5 bps / SOFR+147.5 bps	5.634 %	5/20/2029
Total other borrowings	\$ 276,000			\$ 79,000			
Corporate Debt and Other Borrowings, Net	\$ 7,460,510			\$ 7,258,694			

(1) No leverage or interest coverage maintenance covenants.

The following table presents amounts outstanding and available under the Company's external lines of credit at June 30, 2026 (in millions):

Description	Borrower	Maturity Date	Outstanding	Available
Senior unsecured, revolving credit facility	LPL Holdings, Inc.	May 2029	\$ 276	\$ 1,973
Broker-dealer revolving credit facility	LPL Financial LLC	May 2027	\$ —	\$ 1,000
Unsecured, uncommitted lines of credit	LPL Financial LLC	None	\$ —	\$ 75
Unsecured, uncommitted lines of credit	LPL Financial LLC	September 2026	\$ —	\$ 50
Secured, uncommitted lines of credit	LPL Financial LLC	March 2028	\$ —	\$ 75
Secured, uncommitted lines of credit	LPL Financial LLC	None	\$ —	unspecified
Secured, uncommitted lines of credit	LPL Financial LLC	None	\$ —	unspecified

Extension of Term Loan A Facility

On November 21, 2025, LPLH refinanced its existing \$1.0 billion Term Loan A facility extending its maturity to December 5, 2028. Additionally, the Company's borrowing rate applicable to the Term Loan A decreased by 0.125% at all pricing levels.

Issuance of 2028 4.900% Senior Notes, 2030 5.150% Senior Notes, and 2035 5.750% Senior Notes

On April 3, 2025, the Company completed the issuance and sale of \$500.0 million in aggregate principal amount of 4.900% senior unsecured notes due 2028 ("2028 4.900% Senior Notes"), \$500.0 million in aggregate principal amount of 5.150% senior unsecured notes due 2030 ("2030 5.150% Senior Notes") and \$500.0 million in aggregate principal amount of 5.750% senior unsecured notes due 2035 ("2035 5.750% Senior Notes"). The proceeds of the issuance were utilized to fund the acquisition of Commonwealth.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

The 2028 4.900% Senior Notes will mature on April 3, 2028, and interest is payable semi-annually. The Company may redeem all or part of the 2028 4.900% Senior Notes on or prior to March 3, 2028 at a redemption price that is equal to the greater of: (i) the remaining scheduled payments of principal and interest discounted at the Treasury Rate (as defined in the Sixth Supplemental Indenture dated April 3, 2025) plus 20 basis points less interest accrued to the redemption date, and (ii) 100% of the principal amount of the 2028 4.900% Senior Notes to be redeemed plus accrued interest. On or after March 3, 2028, the Company may redeem the 2028 4.900% Senior Notes at 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest.

The 2030 5.150% Senior Notes will mature on June 15, 2030, and interest is payable semi-annually. The Company may redeem all or part of the 2030 5.150% Senior Notes on or prior to May 15, 2030 at a redemption price that is equal to the greater of: (i) the remaining scheduled payments of principal and interest discounted at the Treasury Rate (as defined in the Seventh Supplemental Indenture dated April 3, 2025) plus 20 basis points less interest accrued to the redemption date, and (ii) 100% of the principal amount of the 2030 5.150% Senior Notes to be redeemed plus accrued interest. On or after May 15, 2030, the Company may redeem the 2030 5.150% Senior Notes at 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest.

The 2035 5.750% Senior Notes will mature on June 15, 2035, and interest is payable semi-annually. The Company may redeem all or part of the 2035 5.750% Senior Notes on or prior to March 15, 2035 at a redemption price that is equal to the greater of: (i) the remaining scheduled payments of principal and interest discounted at the Treasury Rate (as defined in the Eighth Supplemental Indenture dated April 3, 2025) plus 25 basis points less interest accrued to the redemption date, and (ii) 100% of the principal amount of the 2035 5.750% Senior Notes to be redeemed plus accrued interest. On or after March 15, 2035, the Company may redeem the 2035 5.750% Senior Notes at 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest.

In connection with the issuance of the 2028 4.900% Senior Notes, 2030 5.150% Senior Notes and 2035 5.750% Senior Notes, the Company incurred \$11.0 million in costs, which were capitalized as debt issuance costs in the condensed consolidated statements of financial condition.

Issuance of 2030 5.200% Senior Notes and 2035 5.650% Senior Notes

On February 26, 2025, LPLH issued \$750.0 million in aggregate principal amount of 5.200% senior notes due 2030 ("2030 5.200% Senior Notes") and \$500.0 million in aggregate principal amount of 5.650% senior notes due 2035 (the "2035 5.650% Senior Notes"). The 2030 5.200% Senior Notes and 2035 5.650% Senior Notes are unsecured obligations of the Company and are fully and unconditionally guaranteed on a senior unsecured basis by LPLFH. The Company used a portion of the proceeds from the issuance to repay borrowings made under its senior unsecured revolving credit facility and for general corporate purposes.

The 2030 5.200% Senior Notes will mature on March 15, 2030, and interest is payable semi-annually. The Company may redeem all or part of the 2030 5.200% Senior Notes on or prior to February 15, 2030 at a redemption price that is equal to the greater of: (i) the remaining scheduled payments of principal and interest discounted at the Treasury Rate (as defined in the Fourth Supplemental Indenture dated February 26, 2025) plus 15 basis points less interest accrued to the redemption date, and (ii) 100% of the principal amount of the 2030 5.200% Senior Notes to be redeemed plus accrued interest. On or after February 15, 2030, the Company may redeem the 2030 5.200% Senior Notes at 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest.

The 2035 5.650% Senior Notes will mature on March 15, 2035, and interest is payable semi-annually. The Company may redeem all or part of the 2035 5.650% Senior Notes on or prior to December 15, 2034 at a redemption price that is equal to the greater of: (i) the remaining scheduled payments of principal and interest discounted at the Treasury Rate (as defined in the Fifth Supplemental Indenture dated February 26, 2025) plus 20 basis points less interest accrued to the redemption date, and (ii) 100% of the principal amount of the 2035 5.650% Senior Notes to be redeemed plus accrued interest. On or after December 15, 2034, the Company may redeem the 2035 5.650% Senior Notes at 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest.

In connection with the issuance of the 2030 5.200% Senior Notes and 2035 5.650% Senior Notes, the Company incurred \$10.4 million in costs, which were capitalized as debt issuance costs in the condensed consolidated statements of financial condition.

Credit Agreement and Parent Revolving Credit Facility

The Credit Agreement subjects the Company to certain financial and non-financial covenants. As of June 30, 2026, the Company was in compliance with such covenants.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

Broker-Dealer Revolving Credit Facility

On May 18, 2026, LPL Financial, the Company's broker-dealer subsidiary, renewed its revolving credit facility to extend the maturity of the revolving credit facility to May 2027. The revolving credit facility allows for a maximum borrowing of up to \$1.0 billion and borrowings under the credit facility bear interest at a rate per annum equal to 1.25% per annum plus the greatest of (i) SOFR, (ii) the effective federal funds rate and (iii) the overnight bank funding rate, in each case, as such rate is administered or determined by the Federal Reserve Bank of New York from time to time. In connection with the renewal of the credit facility, LPL Financial incurred \$1.2 million in costs, which were capitalized as debt issuance costs in the condensed consolidated statements of financial condition. The broker-dealer credit agreement subjects LPL Financial to certain financial and non-financial covenants. LPL Financial was in compliance with such covenants as of June 30, 2026.

Other External Lines of Credit

LPL Financial maintained five uncommitted lines of credit as of June 30, 2026. Two of the lines have unspecified limits, which are primarily dependent on LPL Financial's ability to provide sufficient collateral. The other three lines have a total limit of \$200.0 million, of which \$125.0 million is uncollateralized. There were no balances outstanding under these lines at June 30, 2026 or December 31, 2025.

NOTE 10 - COMMITMENTS AND CONTINGENCIES**Service and Development Contracts**

The Company is party to certain long-term contracts for systems and services that enable back-office trade processing and clearing for its product and service offerings.

Guarantees

The Company occasionally enters into contracts that contingently require it to indemnify certain parties against third-party claims. The terms of these obligations vary and, because a maximum obligation is not explicitly stated, the Company has determined that it is not possible to make an estimate of the amount that it could be obligated to pay under such contracts.

LPL Financial provides guarantees to securities clearing houses and exchanges under their standard membership agreements, which require a member to guarantee the performance of other members. Under these agreements, if a member becomes unable to satisfy its obligations to the clearing houses and exchanges, all other members would be required to meet any shortfall. The Company's liability under these arrangements is not quantifiable and could exceed the cash and securities it has posted as collateral. However, the potential requirement for the Company to make payments under these agreements is remote. Accordingly, no liability has been recognized for these transactions.

Loan Commitments

From time to time, LPL Financial makes loans to advisors and institutions, primarily to newly recruited advisors and institutions to assist in the transition process, which may be forgivable. Due to timing differences, LPL Financial may make commitments to issue such loans prior to actually funding them. These commitments are generally contingent upon certain events occurring, including the advisor or institution joining LPL Financial. LPL Financial had no significant unfunded loan commitments at June 30, 2026 or December 31, 2025.

Legal and Regulatory Matters

The Company is subject to extensive regulation and supervision by U.S. federal and state agencies and various self-regulatory organizations. The Company and its advisors periodically engage with such agencies and organizations, in the context of examinations or otherwise, to respond to inquiries, informational requests and investigations. From time to time, such engagements result in regulatory complaints or other matters, the resolution of which has in the past and may in the future include fines, customer restitution and other remediation. Assessing the probability of a loss occurring and the timing and amount of any loss related to a legal proceeding or regulatory matter is inherently difficult. While the Company exercises significant and complex judgments to make certain estimates presented in its condensed consolidated financial statements, there are particular uncertainties and complexities involved when assessing the potential outcomes of legal proceedings and regulatory matters. The Company's assessment process considers a variety of factors and assumptions, which may include: the procedural

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

status of the matter and any recent developments; prior experience and the experience of others in similar matters; the size and nature of potential exposures; available defenses; the progress of fact discovery; the opinions of counsel and experts; or the potential opportunities for settlement and the status of any settlement discussions. The Company monitors these factors and assumptions for new developments and re-assesses the likelihood that a loss will occur and the estimated range or amount of loss, if those amounts can be reasonably determined. The Company has established an accrual for those legal proceedings and regulatory matters for which a loss is both probable and the amount can be reasonably estimated.

In July 2024, putative class action lawsuits were filed against LPL Financial in federal district court alleging certain violations of law in connection with its cash sweep programs. The Company intends to defend vigorously against the lawsuits, which have since been consolidated into one case.

Third-Party Insurance

The Company maintains third-party insurance coverage for certain potential legal proceedings, including those involving certain client claims. With respect to such client claims, the estimated losses on many of the pending matters are less than the applicable deductibles of the insurance policies.

Self-Insurance

The Company has self-insurance for certain potential liabilities through its captive insurance subsidiary. Liabilities associated with the risks that are retained by the Company are not discounted and are estimated by considering, in part, historical claims experience, severity factors, and actuarial assumptions and estimates. The estimated accruals for these potential liabilities could be significantly affected if future occurrences and claims differ from such assumptions and historical trends, so there are particular complexities and uncertainties involved when assessing the adequacy of loss reserves for potential liabilities that are self-insured. Self-insurance liabilities are included in accounts payable and accrued liabilities in the condensed consolidated statements of financial condition. Self-insurance related charges are included in other expense in the condensed consolidated statements of income.

The following table provides a reconciliation of the beginning and ending balances of self-insurance liabilities for the periods presented (in thousands):

	Six Months Ended June 30,			
	2026		2025	
Beginning balance — January 1	\$	101,551	\$	79,637
Losses incurred		19,024		19,275
Losses paid		(15,583)		(11,891)
Ending balance — June 30	\$	104,992	\$	87,021

Other Commitments

As of June 30, 2026, the Company had approximately \$837.3 million of client margin loans that were collateralized with securities having a fair value of approximately \$1.2 billion that LPL Financial can repledge, loan or sell. Of these securities, approximately \$526.6 million were client-owned securities pledged to the Options Clearing Corporation as collateral to secure client obligations related to options positions. As of June 30, 2026, there were no restrictions that materially limited the Company's ability to repledge, loan or sell the remaining \$645.6 million of client collateral.

Investment securities on the condensed consolidated statements of financial condition include \$15.0 million of trading securities pledged to the Options Clearing Corporation at both June 30, 2026 and December 31, 2025, and \$25.0 million of trading securities pledged to the National Securities Clearing Corporation at both June 30, 2026 and December 31, 2025.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 11 - STOCKHOLDERS' EQUITY

Dividends

The payment, timing and amount of any dividends are subject to approval by the Company's Board of Directors (the "Board") as well as certain limits under the Credit Agreement. Cash dividends per share of common stock and total cash dividends paid on a quarterly basis were as follows (in millions, except per share data):

	2026		2025	
	Dividend per Share	Total Cash Dividend	Dividend per Share	Total Cash Dividend
First quarter	\$ 0.30	\$ 24.1	\$ 0.30	\$ 22.4
Second quarter	\$ 0.30	\$ 24.0	\$ 0.30	\$ 24.0

Share Repurchases

The Company engages in a share repurchase program that was approved by the Board, pursuant to which LPLFH may repurchase its issued and outstanding shares of common stock from time to time. Repurchased shares are included in treasury stock on the condensed consolidated statements of financial condition.

During the six months ended June 30, 2026, LPLFH repurchased 1,055,045 shares of common stock at a weighted-average price of \$293.33 per share for a total of \$309.5 million. As of June 30, 2026, the Company had \$320.5 million remaining under the existing share repurchase program. From July 1, 2026 through July 30, 2026, the Company has repurchased 420,464 outstanding shares for a total of \$134.3 million. On July 23, 2026, the Board authorized a new repurchase program that increases the amount available for repurchases of the Company's issued and outstanding common shares by \$2.5 billion. Future share repurchases may be effected in open market or privately negotiated transactions, including transactions with affiliates, with the timing of purchases and the amount of stock purchased generally determined at the discretion of the Company within the constraints of the Credit Agreement and the Company's general working capital needs.

Equity Offering

On April 2, 2025, the Company completed a public offering of approximately 5.4 million shares of the Company's common stock at an offering price of \$320.00 per share. The Company received proceeds of approximately \$1.7 billion, which were used to fund the acquisition of Commonwealth. In connection with the issuance, the Company incurred incremental costs of \$48.1 million, which were recorded as a reduction to the offering proceeds. See Note 4 - *Acquisitions* within the notes to the condensed consolidated financial statements for additional information.

NOTE 12 - SHARE-BASED COMPENSATION

In May 2021, the Company adopted its 2021 Omnibus Equity Incentive Plan (the "2021 Plan"), which provides for the granting of stock options, warrants, restricted stock awards, restricted stock units, deferred stock units, performance stock units and other equity-based compensation to the Company's employees, non-employee directors and other service providers. The 2021 Plan serves as the successor to the Company's 2010 Omnibus Equity Incentive Plan (the "2010 Plan"). Following the adoption of the 2021 Plan, the Company is no longer making grants under the 2010 Plan, and the 2021 Plan is the only plan under which equity awards are granted. However, awards previously granted under the 2010 Plan will remain outstanding until vested, exercised or forfeited, as applicable.

There were 17,754,197 shares authorized for grant under the 2021 Plan and 10,706,966 shares remaining available for future issuance at June 30, 2026.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

Restricted Stock and Stock Units

The following summarizes the Company's activity in its restricted stock awards and stock units, which include restricted stock units, deferred stock units and performance stock units, as of and for the six months ended June 30, 2026:

	Restricted Stock Awards		Stock Units	
	Number of Shares	Weighted-Average Grant-Date Fair Value	Number of Units	Weighted-Average Grant-Date Fair Value
Outstanding — December 31, 2025	1,204	\$ 372.50	635,087	\$ 290.18
Granted	2,484	\$ 299.73	294,903	\$ 325.42
Vested	(1,552)	\$ 356.18	(171,477)	\$ 296.01
Forfeited	—	\$ —	(25,253)	\$ 319.78
Outstanding — June 30, 2026	2,136	\$ 299.73	733,260 ⁽¹⁾	\$ 301.97
Expected to vest — June 30, 2026	2,136	\$ 299.73	555,673	\$ 333.48

(1) Includes 103,067 vested and undistributed deferred stock units.

The Company grants restricted stock awards and deferred stock units to its directors and restricted stock units and performance stock units to its employees and officers. Restricted stock awards and stock units must vest or are subject to forfeiture; however, restricted stock awards are included in shares outstanding upon grant and have the same dividend and voting rights as the Company's common stock. The Company recognized \$19.9 million and \$16.8 million of share-based compensation expense related to the vesting of these restricted stock awards and stock units during the three months ended June 30, 2026 and 2025, respectively, and \$39.3 million and \$32.6 million during the six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, total unrecognized compensation cost for restricted stock awards and stock units was \$145.7 million, which is expected to be recognized over a weighted-average remaining period of 2.2 years.

The Company also grants restricted stock units to its advisors and to institutions. The Company recognized share-based compensation expense of \$0.9 million and \$0.8 million related to the vesting of these awards during the three months ended June 30, 2026 and 2025, respectively, and \$1.7 million during both the six months ended June 30, 2026 and 2025. As of June 30, 2026, total unrecognized compensation cost for restricted stock units granted to advisors and institutions was \$8.7 million, which is expected to be recognized over a weighted-average remaining period of 1.6 years.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 13 - EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income available to common stockholders by the weighted-average number of shares of common stock outstanding during the period. The computation of diluted earnings per share is similar to the computation of basic earnings per share, except that the denominator is increased to include the number of additional shares of common stock that would have been outstanding if dilutive potential shares of common stock had been issued. The calculation of basic and diluted earnings per share for the periods noted was as follows (in thousands, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	\$ 379,261	\$ 273,249	\$ 735,665	\$ 591,822
Basic weighted-average number of shares outstanding	79,791	79,984	79,951	77,307
Dilutive common share equivalents	241	389	292	453
Diluted weighted-average number of shares outstanding	80,032	80,373	80,243	77,760
Basic earnings per share	\$ 4.75	\$ 3.42	\$ 9.20	\$ 7.66
Diluted earnings per share	\$ 4.74	\$ 3.40	\$ 9.17	\$ 7.61

The computation of diluted earnings per share excludes stock options, warrants and stock units that are anti-dilutive. For the three months ended June 30, 2026 and 2025, stock options, warrants and stock units representing common share equivalents of 96,643 shares and 88,002 shares, respectively, were anti-dilutive. For the six months ended June 30, 2026 and 2025, stock options, warrants and stock units representing common share equivalents of 96,362 shares and 60,876 shares, respectively, were anti-dilutive.

NOTE 14 - NET CAPITAL AND REGULATORY REQUIREMENTS

The Company's broker-dealer subsidiaries are subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1 under the Exchange Act), which requires the maintenance of minimum net capital. The net capital rules also provide that a broker-dealer's capital may not be withdrawn if the resulting net capital would be less than minimum requirements. Additionally, certain withdrawals require the approval of the SEC and the Financial Industry Regulatory Authority ("FINRA") to the extent they exceed defined levels, even though such withdrawals would not cause net capital to be less than minimum requirements. Net capital and the related net capital requirement may fluctuate on a daily basis.

The following table presents the net capital position of the Company's primary broker-dealer subsidiary (in thousands):

	June 30, 2026
LPL Financial LLC	
Net capital	\$ 375,032
Less: required net capital	28,981
Excess net capital	\$ 346,051

The Company's other regulated subsidiaries, including LPL Enterprise, CES, and PTC, are also subject to various regulatory capital requirements. Failure to meet the respective minimum capital requirements can result in certain mandatory and discretionary actions by regulators that, if undertaken, could have substantial monetary and non-monetary impacts on their operations. As of June 30, 2026, the Company's other regulated subsidiaries met all capital adequacy requirements to which they were subject.

LPL FINANCIAL HOLDINGS INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

NOTE 15 - FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET CREDIT RISK AND CONCENTRATIONS OF CREDIT RISK

LPL Financial may offer loans to new and existing advisors and institutions to facilitate their relationship with LPL Financial, transition to LPL Financial's platform or fund business development activities. LPL Financial may incur losses if advisors or institutions do not fulfill their obligations with respect to these loans. To mitigate this risk, LPL Financial evaluates the performance and creditworthiness of the advisor or institution prior to offering repayable loans.

LPL Financial's client securities activities are transacted on either a cash or margin basis. In margin transactions, LPL Financial extends credit to the advisor's client, subject to various regulatory and internal margin requirements, which is collateralized by cash and securities in the client's account. As clients write options contracts or sell securities short, LPL Financial may incur losses if the clients do not fulfill their obligations and the collateral in the clients' accounts is not sufficient to fully cover losses that clients may incur from these strategies. To control this risk, LPL Financial monitors margin levels daily and clients are required to deposit additional collateral, or reduce positions, when necessary.

LPL Financial is obligated to settle transactions with brokers and other financial institutions even if its advisors' clients fail to meet their obligation to LPL Financial. Clients are required to complete their transactions on the settlement date, generally one business day after the trade date. If clients do not fulfill their contractual obligations, LPL Financial may incur losses. In addition, the Company occasionally enters into certain types of contracts to fulfill its sale of when-issued securities. When-issued securities have been authorized but are contingent upon the actual issuance of the security. LPL Financial has established procedures to reduce this risk by generally requiring that clients deposit cash or securities into their account prior to placing an order.

LPL Financial may at times hold equity securities on both a long and short basis that are recorded on the condensed consolidated statements of financial condition at market value. While long inventory positions represent LPL Financial's ownership of securities, short inventory positions represent obligations of LPL Financial to deliver specified securities at a contracted price, which may differ from market prices prevailing at the time of completion of the transaction. Accordingly, both long and short inventory positions may result in losses or gains to LPL Financial as market values of securities fluctuate. To mitigate the risk of losses, long and short positions are marked-to-market daily and are continuously monitored by LPL Financial.

NOTE 16 - SEGMENT INFORMATION

The Company's Chief Operating Decision Maker ("CODM") is the group that includes the Chief Executive Officer and the President and Chief Financial Officer of the Company.

The Company determined that it has one reportable segment, given the common nature of the Company's operations, products and services, production and distribution process, and regulatory environment. The Company provides an integrated platform of brokerage and investment advisory services to independent financial advisors and advisors at financial institutions from which the Company derives its revenues and incurs expenses. For additional information, see Note 3 - *Revenue*.

The CODM regularly reviews pre-tax net income as presented on the Company's condensed consolidated statements of income for purposes of assessing performance and making decisions about resource allocation. Expenses regularly reviewed by the CODM include those line items reported on the Company's condensed consolidated statements of income, the most significant of which include advisory and commission, compensation and benefits, promotional and occupancy and equipment expenses.

NOTE 17 - SUBSEQUENT EVENTS

The Board declared a cash dividend of \$0.30 per share on LPLFH's outstanding common stock to be paid on August 28, 2026 to all stockholders of record on August 14, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk

We maintain trading securities and securities sold, but not yet purchased in order to facilitate client transactions, to meet a portion of our clearing deposit requirements at various clearing organizations, to track the performance of our research models and in connection with our dividend reinvestment program. Trading securities are included in investment securities while securities sold, but not yet purchased are included in other liabilities on the condensed consolidated statements of financial condition and can include mutual funds, money market funds, debt securities and equity securities. We enter into market risk sensitive instruments for purposes other than trading, which are included in other assets on the condensed consolidated statements of financial condition and can include deferred compensation plan assets invested in life insurance, money market and other mutual funds, investments in fractional shares held by customers, and other non-traded real estate investment trusts. Changes in the value of our market risk sensitive instruments may result from fluctuations in interest rates, credit ratings of the issuer, equity prices or a combination of these factors.

In facilitating client transactions, our trading securities and securities sold, but not yet purchased generally involve mutual funds, including dividend reinvestments. Our positions held are based upon the settlement of client transactions, which are monitored by our Trading and Operations department.

Positions held to meet clearing deposit requirements consist of U.S. government securities and equity securities. The amount of securities deposited depends upon the requirements of the clearing organization. The level of securities deposited is monitored by the settlements group within our Trading and Operations department.

Our Research department develops model portfolios that are used by advisors in developing client portfolios. We maintain securities owned in internal accounts based on these model portfolios to track the performance of our Research department. At the time a portfolio is developed, we purchase the securities in that model portfolio in an amount equal to the account minimum, which varies by product.

In addition, we are subject to market risk resulting from operational risk events, which can require customer trade corrections. We also bear market risk on the fees we earn that are based on the market value of advisory and brokerage assets, as well as assets on which trailing commissions are paid and assets eligible for sponsor payments.

As of June 30, 2026, the fair value of our trading securities was \$188.0 million and securities sold, but not yet purchased were not material. The fair value of market risk sensitive instruments entered into for other than trading purposes included within other assets was \$1.7 billion as of June 30, 2026. See Note 5 - *Fair Value Measurements*, within the notes to the condensed consolidated financial statements for information regarding the fair value of trading securities; securities sold, but not yet purchased; and other assets associated with our client facilitation activities.

Interest Rate Risk

We are exposed to risk associated with changes in interest rates. As of June 30, 2026, \$1.3 billion of our outstanding debt was subject to floating interest rate risk. While our term loan is subject to increases in interest rates, we do not believe that a short-term change in interest rates would have a material impact on our net income given revenue generated by our client cash balances, which is generally subject to the same, but off-setting, interest rate risk.

The following table summarizes the impact of increasing interest rates on our interest expense from the variable portion of our debt outstanding, calculated using the projected average outstanding balance over the subsequent twelve-month period (in thousands):

		Annual Impact of an Interest Rate ^(†) Increase of			
	Outstanding Balance at June 30, 2026	10 Basis Points	25 Basis Points	50 Basis Points	100 Basis Points
Corporate Debt and Other Borrowings					
Term Loan A	\$ 1,020,000	\$ 1,020	\$ 2,550	\$ 5,100	\$ 10,200
Revolving Credit Facility	276,000	276	690	1,380	2,760
Variable Rate Debt Outstanding	\$ 1,296,000	\$ 1,296	\$ 3,240	\$ 6,480	\$ 12,960

(†) Our interest rate for our Term Loan A is locked in for one, two, three, six or twelve months as allowed under the Credit Agreement. At the end of the selected periods, the rates will be locked in at the then current rate. The effects of these interest rate locks are not included in the table above.

See Note 9 - *Corporate Debt and Other Borrowings, Net*, within the notes to the condensed consolidated financial statements for additional information.

We offer our advisors and their clients two FDIC insured bank sweep vehicles and a client cash account ("CCA") that are interest rate sensitive. Our FDIC insured sweep vehicles include an (1) insured cash account ("ICA") for individuals, trusts, sole proprietorships and entities organized or operated to make a profit, such as corporations, partnerships, associations, business trusts and other organizations and (2) an insured deposit cash account ("DCA") for individual retirement accounts and retirement plan accounts that are enrolled in certain LPL advisory programs. Clients earn interest on deposits in the ICA and the DCA while we earn a fee. The fees we earn from cash held in the ICA are based primarily on prevailing interest rates in the current interest rate environment, and are therefore subject to interest rate risk. The fees we earn from the DCA are calculated as a per account fee, and such fees increase as the federal funds target rate increases, subject to a cap.

The Company places ICA sweep overflow into the CCA. These deposits are either used to fund client margin lending or placed in third-party bank or investment accounts, both of which are segregated under federal or other regulations, where they are held as cash or invested in short-term U.S. treasury bills. We earn interest income on these bank deposits and investments in short-term U.S. treasury bills and pay interest to clients on these CCA balances, which are sensitive to prevailing interest rates. This interest income and expense is included in interest income, net in the condensed consolidated statements of income. Changes in interest rates and fees for the deposit sweep vehicles are monitored by our Rate Setting Committee (the "RSC"), which governs and approves any changes to our fees. By meeting promptly around the time of Federal Open Market Committee meetings, or for other market or non-market reasons, the RSC considers financial risk of the deposit sweep vehicles relative to other products into which clients may move cash balances.

Credit Risk

Credit risk is the risk of loss due to adverse changes in a borrower's, issuer's or counterparty's ability to meet its financial obligations under contractual or agreed upon terms. We are subject to credit risk from certain loans extended to advisors and institutions when we extend loans with repayment terms to facilitate advisors' and institutions' transition to our platform or to fund business development activities. We are also subject to credit risk when a forgivable loan to an advisor or institution converts to repayable upon advisor or institution termination or change in agreed upon terms.

Credit risk also arises when collateral posted with LPL Financial by clients to support margin lending or derivative trading is insufficient to meet clients' contractual obligations to LPL Financial. Our credit exposure in these transactions consists primarily of margin accounts, through which we extend credit to advisors' clients collateralized by securities in the clients' accounts. Under many of these agreements, we are permitted to sell, repledge or loan these securities held as collateral and use these securities to enter into securities lending arrangements or to deliver to counterparties to cover short positions.

As our advisors execute margin transactions on behalf of their clients, we may incur losses if clients do not fulfill their obligations, the collateral in the clients' accounts is insufficient to fully cover losses from such investments and our advisors fail to reimburse us for such losses. Our losses on margin accounts were not material during the three and six months ended June 30, 2026 or 2025. We monitor exposure to industry sectors and individual securities and perform analyses on a regular basis in connection with our margin lending activities. We adjust our margin requirements if we believe our risk exposure is not appropriate based on market conditions.

We are subject to concentration risk if we extend large loans to or have large commitments with a single counterparty, borrower or group of similar counterparties or borrowers, or if we accept a concentrated position as collateral for a margin loan. Receivables from and payables to clients and stock borrowing and lending activities are conducted with a large number of clients and counterparties and potential concentration is monitored. We seek to limit this risk through review of the underlying business and the use of limits established by senior management taking into consideration factors including current market conditions, the financial strength of the counterparty, the size of the position or commitment, the expected duration of the position or commitment and other positions or commitments outstanding.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report were effective.

Change in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the second quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we have been subjected to and are currently subject to legal and regulatory proceedings arising out of our business operations, including lawsuits, arbitration claims, and inquiries, investigations and enforcement proceedings initiated by the SEC, FINRA and state securities regulators, as well as other actions and claims. See Note 10 - *Commitments and Contingencies*, within the notes to the condensed consolidated financial statements for additional information.

Item 1A. Risk Factors

There have been no material changes in the information regarding the Company's risks, as set forth under Part I, "*Item 1A. Risk Factors*" in the Company's 2025 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below sets forth information regarding repurchases, reported on a trade date basis, during the three months ended June 30, 2026:

Period	Total Number of Shares Purchased	Weighted-Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Program (millions) ⁽¹⁾
April 1, 2026 through April 30, 2026	206,380	\$ 315.12	206,380	\$ 565.0
May 1, 2026 through May 31, 2026	239,314	\$ 294.90	239,314	\$ 494.4
June 1, 2026 through June 30, 2026	609,351	\$ 285.33	609,351	\$ 320.5
Total	1,055,045		1,055,045	

(1) On September 21, 2022, the Board authorized a \$2.1 billion increase to the amount available for repurchases of LPLFH's issued and outstanding common shares. On July 23, 2026, the Board authorized a \$2.5 billion increase to the amount available for repurchases of LPLFH's issued and outstanding common shares. See Note 11 - *Stockholders' Equity*, within the notes to the condensed consolidated financial statements for additional information.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) entered into, modified or terminated contracts, instructions or written plans for the purchase or sale of our common stock that are intended to satisfy the affirmative defense conditions specified in Rule 10b5-1(c) under the Exchange Act.

Item 6. Exhibits

3.1	Second Amended and Restated Certificate of Incorporation of LPL Financial Holdings Inc., dated May 14, 2026.*
3.2	Eighth Amended and Restated Bylaws of LPL Financial Holdings Inc.*
10.1	LPL Financial Holdings Inc. Non-Employee Director Compensation Policy, as amended May 14, 2026.*
22.1	List of Subsidiary Guarantors and Issuers of Guaranteed Securities.*
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).*
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).*
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101.SCH	Inline XBRL Taxonomy Extension Schema*
101.CAL	Inline XBRL Taxonomy Extension Calculation*
101.LAB	Inline XBRL Taxonomy Extension Label*
101.PRE	Inline XBRL Taxonomy Extension Presentation*
101.DEF	Inline XBRL Taxonomy Extension Definition*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LPL Financial Holdings Inc.

Date: August 3, 2026	By: <u>/s/ RICHARD STEINMEIER</u> Richard Steinmeier Chief Executive Officer
Date: August 3, 2026	By: <u>/s/ MATTHEW AUDETTE</u> Matthew Audette President and Chief Financial Officer
Date: August 3, 2026	By: <u>/s/ KATHARINE REEPING</u> Katharine Reeping Chief Accounting Officer

**SECOND AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
LPL FINANCIAL HOLDINGS INC.**

LPL Financial Holdings Inc., a Delaware corporation (the “Corporation”), hereby certifies that this Second Amended and Restated Certificate of Incorporation (the “Second Amended and Restated Certificate of Incorporation”) has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware, and that:

A. The name of the Corporation is: LPL Financial Holdings Inc.

B. The original Certificate of Incorporation of the Corporation was filed with the Secretary of the State of Delaware on October 25, 2005 (as amended, the “Original Certificate of Incorporation”). The Corporation was incorporated under the name BD Investment Holdings Inc.

C. The Original Certificate of Incorporation was amended and restated on November 23, 2010 under the name LPL Investment Holdings Inc. (as amended, the “Amended and Restated Certificate of Incorporation”), amended on June 15, 2012 by a Certificate of Ownership and Merger pursuant to which the name of the Corporation became LPL Financial Holdings Inc. and further amended on May 8, 2014.

D. This Second Amended and Restated Certificate of Incorporation amends and restates the Amended and Restated Certificate of Incorporation of the Corporation.

E. The Certificate of Incorporation, upon the filing of this Second Amended and Restated Certificate of Incorporation, shall read in its entirety as follows:

**ARTICLE I
NAME**

The name of the corporation is LPL Financial Holdings Inc. (the “Corporation”).

**ARTICLE II
REGISTERED OFFICE AND AGENT**

The address of the Corporation’s registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801. The name of the Corporation’s registered agent at such address is The Corporation Trust Company.

**ARTICLE III
PURPOSE**

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the “DGCL”).

**ARTICLE IV
CAPITALIZATION**

(a) Authorized Shares. The total number of shares of stock which the Corporation shall have authority to issue is 675,000,000, consisting of 600,000,000 shares of Common Stock, par value \$0.001 per share ("~~Common Stock~~"), and 75,000,000 shares of Preferred Stock, par value \$0.001 per share ("~~Preferred Stock~~").

(b) Preferred Stock. Shares of Preferred Stock may be issued in one or more series, from time to time, with each such series to consist of such number of shares and to have such voting powers relative to other classes or series of Preferred Stock, if any, or Common Stock, full or limited or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated in the resolution or resolutions providing for the issuance of such series adopted by the board of directors of the Corporation (the "~~Board of Directors~~"), and the Board of Directors is hereby expressly vested with the authority, to the full extent now or hereafter provided by applicable law, to adopt any such resolution or resolutions.

(c) Voting. Each holder of Common Stock, as such, shall be entitled to one vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote; provided, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Second Amended and Restated Certificate of Incorporation (including, but not limited to, any certificate of designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Second Amended and Restated Certificate of Incorporation (including, but not limited to, any certificate of designations relating to any series of Preferred Stock) or pursuant to the DGCL.

(d) No Class Vote On Changes In Authorized Number of Shares Of Preferred Stock. Subject to the special rights of the holders of any series of Preferred Stock pursuant to the terms of this Second Amended and Restated Certificate of Incorporation, any certificate of designations or any resolution or resolutions providing for the issuance of such series of stock adopted by the Board of Directors, the number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors irrespective of the provisions of Section 242(b)(2) of the DGCL.

**ARTICLE V
BOARD OF DIRECTORS**

(a) Number of Directors; Vacancies and Newly Created Directorships. The number of directors constituting the Board of Directors shall be not fewer than 3 and not more than 15, each of whom shall be a natural person. Subject to the previous sentence and to the special rights of the holders of any series of Preferred Stock to elect directors, the precise number of directors shall be fixed exclusively pursuant to a resolution adopted by the Board of Directors. Vacancies and newly-created directorships shall be filled by vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Any vacancy created by the removal of a director by the stockholders shall only be filled, in addition to any other vote

otherwise required by law, by vote of a majority of the outstanding shares of Common Stock. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(b) Removal. Subject to the special rights of the holders of any series of Preferred Stock to elect directors, the directors of the Corporation may be removed only by the affirmative vote of a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE VI LIMITATION OF DIRECTOR AND OFFICER LIABILITY

To the fullest extent that the DGCL or any other law of the State of Delaware (as they exist on the date hereof or as they may hereafter be amended) permits the limitation or elimination of the liability of directors or officers, no director or officer of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer. No amendment to, or modification or repeal of, this Article VI shall adversely affect any right or protection of a director or officer of the Corporation existing hereunder with respect to any state of facts existing or act or omission occurring, or any cause of action, suit or claim that, but for this Article VI, would accrue or arise, prior to such amendment, modification or repeal. For purposes of this Article VI, "officer" shall have the meaning provided in Section 102(b)(7) of the DGCL, as it presently exists or may hereafter be amended from time to time.

ARTICLE VII MEETINGS OF STOCKHOLDERS

(a) No Action by Written Consent. Any action required or permitted to be taken by the stockholders of the Corporation may be effected only at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

(b) Special Meetings of Stockholders. Subject to any special rights of the holders of any series of Preferred Stock, and to the requirements of applicable law, special meetings of stockholders of the Corporation may be called only by either (a) the Chairman or Vice Chairman of the Board of Directors or the President of the Corporation or (b) the Board of Directors pursuant to a written resolution adopted by a majority of the total number of directors which the Corporation would have if there were no vacancies.

(c) Election of Directors by Written Ballot. Election of directors need not be by written ballot.

ARTICLE VIII AMENDMENTS TO THE SECOND AMENDED AND RESTATED CERTIFICATE OF INCORPORATION AND BYLAWS

(a) Bylaws. In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized to make, alter, amend or repeal the bylaws of the Corporation subject to the power of the stockholders of the Corporation to make, alter, amend or repeal the bylaws; provided, that with respect to the powers of stockholders to make, alter, amend or repeal the bylaws, in addition to any other vote otherwise required by law, the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Common Stock shall be required to make, alter, amend or repeal the bylaws of the Corporation.

(b) Amendments to the Certificate of Incorporation. Notwithstanding anything to the contrary contained in this Second Amended and Restated Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, no provision of Article V, paragraphs (a) and (b) of Article VII, Article VIII and Article IX may be altered, amended or repealed in any respect, nor may any provision or bylaw inconsistent therewith be adopted, unless in addition to any other vote required by this Second Amended and Restated Certificate of Incorporation or otherwise required by law, such alteration, amendment, repeal or adoption is approved by, in addition to any other vote otherwise required by law, the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of Common Stock.

ARTICLE IX BUSINESS COMBINATIONS

The Corporation hereby expressly elects not to be governed by Section 203 of the DGCL.

ARTICLE X [RESERVED]

ARTICLE XI EXCLUSIVE JURISDICTION OF CERTAIN ACTIONS

The Court of Chancery of the State of Delaware shall, to the fullest extent permitted by applicable law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation arising pursuant to any provision of the DGCL or the Corporation's Second Amended and Restated Certificate of Incorporation or bylaws or (iv) any action asserting a claim against the Corporation governed by the internal affairs doctrine, in each such case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XI.

ARTICLE XII SEVERABILITY

If any provision or provisions of this Second Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Second Amended and Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Second Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Second Amended and Restated Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Second Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

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IN WITNESS WHEREOF, the undersigned has caused this Second Amended and Restated Certificate of Incorporation to be executed by the officer below this day of May 14, 2026.

LPL FINANCIAL HOLDINGS INC.

By: /s/ Robert S. Hatfield III

Name: Robert S. Hatfield III

Title: Secretary

LPL FINANCIAL HOLDINGS INC. (the “Corporation”)

EIGHTH AMENDED AND RESTATED BYLAWS

SECTION 1 — STOCKHOLDERS

Section 1.1. Annual Meeting.

An annual meeting of the stockholders for the election of directors to succeed those whose term expire and for the transaction of such other business as may properly come before the meeting shall be held at the place, if any, within or without the State of Delaware, on the date and at the time that the Board of Directors shall each year fix. Unless stated otherwise in the notice of the annual meeting of the stockholders of the Corporation, such annual meeting shall be at the principal office of the Corporation. The Board of Directors may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 1.2. Advance Notice of Nominations and Proposals of Business.

(a) Nominations of persons for election to the Board of Directors and proposals for other business to be transacted by the stockholders at an annual meeting of stockholders may be made (i) pursuant to the Corporation’s notice with respect to such meeting (or any supplement thereto), (ii) by or at the direction of the Board of Directors or any committee thereof or (iii) by any stockholder of record of the Corporation who (A) was a stockholder of record at the time of the giving of the notice contemplated in Section 1.2(b) through the date of such annual meeting, (B) is entitled to vote at such meeting, (C) has complied with the notice procedures and other applicable requirements set forth in these Amended and Restated Bylaws (the “Bylaws”) and (D) to the extent that Rule 14a-19 under the Act (as defined below) applies, has complied with Rule 14a-19 under the Act. Subject to Section 1.2(e)(viii) and Section 1.12, the foregoing clause (iii) shall be the exclusive means for a stockholder to make nominations or propose other business (other than matters properly brought pursuant to applicable provisions of federal law, including the Securities Exchange Act of 1934 (as amended from time to time, the “Act”)) before an annual meeting of stockholders.

(b) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 1.2(a), (i) the stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation with the information contemplated by Section 1.2, (ii) the business must be a proper matter for stockholder action under the General Corporation Law of the State of Delaware (the “DGCL”). To be timely, a stockholder’s notice must be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation on a date (A) not later than the Close of Business on the 90th day, nor earlier than the Close of Business on the 120th day, prior to the anniversary date of the prior year’s annual meeting or (B) if there was no annual meeting in the prior year or if the date of the current year’s annual meeting is more than thirty (30) days earlier or more than sixty (60) days later than the anniversary date of the prior year’s annual meeting, not earlier than the Close of Business on the 120th day prior to the current year’s annual meeting nor later than the Close of Business on the later of (x) the 90th day prior to the date of the current year’s annual

meeting and (y) the 10th day after the day on which the date of the current year's annual meeting is first disclosed in a public announcement. In no event shall any adjournment, recess, postponement, judicial stay or rescheduling of an annual meeting (or the public announcement thereof) commence a new time period (or extend any time period) for the delivery of such notice. For the avoidance of doubt, a stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these Bylaws.

(c) To be in proper written form, such notice from a stockholder of record giving notice under this Section 1.2 (a "Noticing Party") must state:

(i) as to each person that the stockholder proposes to nominate for election or reelection as a director (each, a "Proposed Nominee"), if any:

(A) the name, age, business address and residential address of such Proposed Nominee;

(B) the principal occupation and employment of such Proposed Nominee;

(C) a questionnaire with respect to the background and qualifications of such Proposed Nominee, in the form required by the Corporation (in the form to be provided by the Secretary within ten (10) days after receiving a written request therefor from any stockholder of record identified by name);

(D) a written representation and agreement completed by such Proposed Nominee in the form required by the Corporation (in the form to be provided by the Secretary within ten (10) days after receiving a written request therefor from any stockholder of record identified by name) providing that such Proposed Nominee: (I) is not and will not become a party to any Voting Commitment (as defined below) that has not been disclosed to the Corporation or any Voting Commitment that could limit or interfere with such Proposed Nominee's ability to comply, if elected as a director of the Corporation, with such Proposed Nominee's fiduciary duties under applicable law; (II) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director or nominee with respect to the Corporation that has not been disclosed to the Corporation; (III) will, if elected as a director of the Corporation, comply with all applicable rules of any securities exchanges upon which the Corporation's securities are listed, the certificate of incorporation of the Corporation (the "Certificate of Incorporation"), these Bylaws, all applicable publicly disclosed corporate governance, ethics, conflict of interest, confidentiality, stock ownership and trading policies and all other guidelines and policies of the Corporation generally applicable to directors (which other guidelines and policies will be provided to such Proposed Nominee within five (5) business days after the Secretary receives any written request therefor from such Proposed Nominee), and all applicable fiduciary duties under state law; (IV) consents to being named as a nominee in the Corporation's proxy statement and form of proxy for the

meeting and consents to the public disclosure of information regarding or relating to such Proposed Nominee provided to the Corporation by such Proposed Nominee or otherwise pursuant to these Bylaws; (V) intends to serve a full term as a director of the Corporation, if elected; and (VI) will provide facts, statements and other information in all communications with the Corporation and its stockholders that are or will be true and correct in all material respects and that do not and will not omit to state any fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading in any material respect;

(E) the date(s) of first contact between the Noticing Party or any Stockholder Associated Person, on the one hand, and the Proposed Nominee, on the other hand, with respect to any proposed nomination(s) of any person(s) (including the Proposed Nominee) for election as a director of the Corporation;

(F) all information relating to such Proposed Nominee or such Proposed Nominee's associates that would be required to be disclosed in a proxy statement in connection with the solicitation of proxies by such Noticing Party or any Stockholder Associated Person for the election of directors in a contested election pursuant to Section 14 of the Act and the rules promulgated thereunder (the "Proxy Rules"); and

(G) a description of all direct and indirect compensation and other material monetary arrangements, agreements or understandings, written or oral, during the past three years, and any other material relationship, if any, between or concerning such Proposed Nominee, on the one hand, and the Noticing Party or any Stockholder Associated Person (other than such Proposed Nominee), on the other hand, or that such Proposed Nominee knows any of such Proposed Nominee's associates has with the Noticing Party or any Stockholder Associated Person, including all information that would be required to be disclosed pursuant to Item 404 promulgated under Regulation S-K as if such Noticing Party and any Stockholder Associated Person (other than the Proposed Nominee) were the "registrant" for purposes of such rule and the Proposed Nominee were a director or executive officer of such registrant;

(ii) as to any other business that the Noticing Party seeks to bring before the meeting:

(A) a description of such proposal, the reasons for making the proposal at the meeting;

(B) the text of the proposal or business (including the complete text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Certificate of Incorporation or these Bylaws, the text of the proposed amendment); and

(C) all other information relating to such proposal that would be required to be disclosed in a proxy statement in connection with the solicitation of

proxies by the Noticing Party or any Stockholder Associated Person in support of such proposal pursuant to the Proxy Rules;

(iii) as to the Noticing Party and each Stockholder Associated Person:

(A) the name and address of the Noticing Party and each Stockholder Associated Person (including, as applicable, as they appear on the Corporation's books and records);

(B) the class (and, if applicable, series) and number of shares of stock of the Corporation that are, directly or indirectly, owned beneficially or of record (specifying the type of ownership) by the Noticing Party or any Stockholder Associated Person (including any right to acquire beneficial ownership at any time in the future, whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition) and the date or dates on which such shares were acquired);

(C) the name of each nominee holder for, and number of, any securities of the Corporation owned beneficially but not of record by such Noticing Party or any Stockholder Associated Person and any pledge by such Noticing Party or any Stockholder Associated Person with respect to any of such securities;

(D) (I) a description of all agreements, arrangements or understandings, written or oral (including any derivative or short positions, profit interests, hedging transactions, forwards, futures, swaps, options, warrants, convertible securities, stock appreciation or similar rights, repurchase agreements or arrangements, borrowed or loaned shares and so-called "stock borrowing" agreements or arrangements) that have been entered into by, or on behalf of, such Noticing Party or any Stockholder Associated Person, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the price of any securities of the Corporation, or maintain, increase or decrease the voting power of such Noticing Party or any Stockholder Associated Person with respect to securities of the Corporation, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the Corporation (any of the foregoing, a "Derivative Instrument") and (II) all other information relating to Derivative Instruments that would be required to be disclosed in a proxy statement in connection with the solicitation of proxies by such Noticing Party or any Stockholder Associated Person in support of the business proposed by such Noticing Party, if any, or for the election of any nominee in a contested election pursuant to the Proxy Rules if the creation, termination or modification of Derivative Instruments were treated the same as trading in the securities of the Corporation under the Proxy Rules);

(E) a description of all agreements, arrangements or understandings, written or oral, (I) between or among such Noticing Party and any Stockholder Associated Person or (II) between or among such Noticing Party or, to the knowledge of such Noticing Party (or the beneficial owner(s) on whose behalf such Noticing Party is submitting a notice to the Corporation), any Stockholder Associated Person and any other person or entity (naming each such person or entity), in each case, relating to acquiring,

holding, voting or disposing of any securities of the Corporation, including any proxy (other than any revocable proxy given in response to a solicitation made pursuant to, and in accordance with, the Proxy Rules by way of a solicitation statement filed on Schedule 14A);

(F) any rights to dividends on the shares of the Corporation owned beneficially by such Noticing Party or any Stockholder Associated Person that are separated or separable from the underlying shares of the Corporation;

(G) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership, limited liability company or similar entity in which such Noticing Party or any Stockholder Associated Person (I) is a general partner or beneficially owns, directly or indirectly, an interest in a general partner of such general or limited partnership or (II) is the manager, managing member or beneficially owns, directly or indirectly, an interest in the manager or managing member of such limited liability company or similar entity;

(H) any direct or indirect material legal, economic or financial interest (including any existing or prospective commercial, business or contractual relationship with the Corporation) of the Noticing Party or, to the knowledge of such Noticing Party (or the beneficial owner(s) on whose behalf such Noticing Party is submitting a notice to the Corporation), any Stockholder Associated Person in the Corporation or any affiliate thereof or in the outcome of any vote to be taken at any annual or special meeting of stockholders of the Corporation, other than an interest arising from the ownership of Corporation securities where such Noticing Party or such Stockholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series;

(I) any direct or indirect interest (other than solely as a result of security ownership) of such Noticing Party or, to the knowledge of such Noticing Party (or the beneficial owner(s) on whose behalf such Noticing Party is submitting a notice to the Corporation) any Stockholder Associated Person in any agreement with the Corporation or any affiliate of the Corporation (including any employment agreement, collective bargaining agreement or consulting agreement);

(J) a representation that (I) neither such Noticing Party nor any Stockholder Associated Person has breached any agreement, arrangement or understanding with the Corporation except as disclosed to the Corporation pursuant hereto and (II) such Noticing Party and each Stockholder Associated Person has complied, and will comply, with all applicable requirements of state law and the Act with respect to the matters set forth in this Section 1.2;

(K) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) under the Act or an amendment pursuant to Rule 13d-2(a) under the Act if such a statement were required to be filed under the Act by such Noticing Party or any Stockholder Associated Person with respect to the Corporation

(regardless of whether such person or entity is actually required to file a Schedule 13D), including a description of any agreement, arrangement or understanding that would be required to be disclosed by such Noticing Party or any Stockholder Associated Person pursuant to Item 5 or Item 6 of Schedule 13D; and

(L) any other information relating to such Noticing Party and Stockholder Associated Person, if any, required to be disclosed in a proxy statement in connection with the solicitation of proxies by such Noticing Party or any Stockholder Associated Person for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to the Proxy Rules;

provided, however, the information required pursuant to the foregoing clauses (A) through (L) shall not include any ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is directed to prepare and submit the notice required by this Section 1.2(c) on behalf of a beneficial owner of the shares held of record by such broker, dealer, commercial bank, trust company or other nominee and who is not otherwise affiliated or associated with such beneficial owner (any such entity, an “Exempt Party”);

(iv) a representation that the Noticing Party is a holder of record of the Corporation entitled to vote at such meeting and intends to appear or cause a qualified representative of such Noticing Party to appear at the meeting to bring such business before the meeting or nominate any nominees, as applicable, and an acknowledgment that, if such Noticing Party (or a qualified representative of such Noticing Party) does not appear to present such business or nominees, as applicable, at such meeting, the Corporation need not present such business or nominees for a vote at such meeting, notwithstanding that proxies in respect of such vote may have been received by the Corporation;

(v) a description of any pending or, to the knowledge of such Noticing Party (or the beneficial owner(s) on whose behalf such Noticing Party is submitting a notice to the Corporation), threatened legal proceeding or investigation in which such Noticing Party or any Stockholder Associated Person is a party or participant directly involving or directly relating to the Corporation or, to the knowledge of such Noticing Party (or the beneficial owner(s) on whose behalf such Noticing Party is submitting a notice to the Corporation), any current or former officer, director or affiliate of the Corporation;

(vi) a certification as to whether or not the Noticing Party and all Stockholder Associated Persons have complied with all applicable federal, state and other legal requirements in connection with the Noticing Party's and each Stockholder Associated Person's acquisition of shares of capital stock or other securities of the Corporation and the Noticing Party's and each Stockholder Associated Person's acts or omissions as a stockholder (or beneficial owner of securities) of the Corporation;

(vii) identification of the names and addresses of other stockholders (including beneficial owners) known by such Noticing Party (or the beneficial owner(s) on whose behalf such Noticing Party is submitting a notice to the Corporation) to provide financial support of the nomination(s) or other business proposal(s) submitted by such Noticing Party and, to the extent

known, the class and number of shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s); and

(viii) a representation from such Noticing Party as to whether such Noticing Party or any Stockholder Associated Party intends to or is part of a group (as such term is used in Rule 13d-5 under the Act) that intends to (A) deliver a proxy statement and form of proxy to holders of, in the case of a proposal, at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the Corporation's voting shares reasonably believed by such Noticing Party to be sufficient to elect such nominee or nominees, (B) solicit proxies in support of director nominees other than persons nominated by or at the direction of the Board of Directors or any committee thereof, in accordance with Rule 14a-19 under the Act or (C) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination, and if so, the name of each participant (as defined in Instruction 3 to Item 4 of Schedule 14A under the Act) in such solicitation (within the meaning of Exchange Act Rule 14a-1(l)).

(d) Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting (or any supplement thereto). Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or any committee thereof or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 1.2 is delivered to the Secretary of the Corporation through the date of such special meeting, who is entitled to vote at the meeting upon such election and who complies with the notice procedures and other requirements set forth in these Bylaws as if such notice were being submitted in connection with an annual meeting of stockholders. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (b) of this Section 1.2 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the Close of Business on the 120th day prior to such special meeting and not later than the Close of Business on the later of the 90th day prior to such special meeting and the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the adjournment, recess, postponement, judicial stay or rescheduling of a special meeting (or the public announcement thereof) commence a new time period (or extend any time period) for the giving of a notice as described above.

(e) General

- (i) For purposes of these Bylaws:

(A) “affiliate” and “associate” each shall have the respective meanings set forth in Rule 12b-2 under the Act;

(B) “beneficial ownership” shall be determined in accordance with Rule 13d-3 promulgated under the Act;

(C) “Close of Business” shall mean 5:00 p.m. Eastern Time on any calendar day, whether or not the day is a business day;

(D) “public announcement” means disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable news service or in a document publicly filed or furnished by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Act;

(E) a “qualified representative” of a Noticing Party, means a duly authorized officer, manager or partner of such Noticing Party or a person authorized by a writing executed by such Noticing Party or an electronic transmission delivered by such Noticing Party to act for such Noticing Party as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders; and

(F) a “Stockholder Associated Person” shall mean, with respect to a Noticing Party and if different from such Noticing Party, any beneficial owner of shares of stock of the Corporation on whose behalf such Noticing Party is providing notice of any nomination or other business proposed (I) any person or entity who is a member of a group (as such term is used in Rule 13d-5 under the Act) with such Noticing Party or such beneficial owner(s) with respect to acquiring, holding, voting or disposing of any securities of the Corporation, (II) any affiliate or associate of such Noticing Party (other than an Exempt Party) or such beneficial owner(s), (III) any participant (as defined in Instruction 3 to Item 4 of Schedule 14A) with such Noticing Party or such beneficial owner(s) with respect to any proposed business or nomination, as applicable, under these Bylaws, (IV) any beneficial owner of shares of stock of the Corporation owned of record by such Noticing Party (other than an Exempt Party) and (V) any Proposed Nominee.

(ii) The Corporation may require any Noticing Party to furnish such other information as would reasonably be expected to be material to a reasonable stockholder’s understanding of (A) any item of business proposed by such Noticing Party under this Section 1.2, (B) the solicitation of proxies from the Corporation’s stockholders by the stockholder giving notice to the Corporation (or any Stockholder Associated Person) or (C) the eligibility, suitability or qualifications of the Proposed Nominee to serve as a director of the Corporation or that could be material to a reasonable stockholder’s understanding of the independence, or lack thereof, of the Proposed Nominee, under the listing standards of each securities exchange upon which the Corporation’s securities are listed, any applicable rules of the Securities and Exchange Commission, any publicly disclosed standards used by the Board of Directors in selecting nominees for election as a director and for determining and disclosing the independence of the Corporation’s directors, including those applicable to a director’s service on any of the

committees of the Board of Directors, or the requirements of any other laws or regulations applicable to the Corporation. If requested by the Corporation, any supplemental information required under this paragraph shall be provided by such Noticing Party within ten (10) days after it has been requested by the Corporation.

(iii) A Noticing Party shall further update its notice of any nomination to be brought before a meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 1.2 shall be true and correct in all material respects (A) as of the record date for the meeting and (B) as of the date that is ten (10) business days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof. Such update shall be delivered to the Secretary of the Corporation (I) not later than three (3) business days after the later of (x) the record date and (y) the date notice of the record date is first publicly announced (in the case of the update required to be made as of the record date for the meeting) and (II) not later than seven (7) business days prior to (x) the date for the meeting, if practicable (or, if not practicable, on the first practicable date prior to the meeting), or (y) any adjournment, recess, rescheduling or postponement thereof (in the case of the update required to be made as of ten (10) business days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof). Such update shall be made only to the extent that information has changed since such Noticing Party's prior submission and shall clearly identify the information that has changed in any material respect since such Noticing Party's prior submission. For the avoidance of doubt, any information provided in such update shall not be deemed to cure any deficiencies in a notice previously delivered pursuant to this Section 1.2 and shall not extend the time period for the delivery of notice pursuant to this Section 1.2. If a stockholder giving notice fails to provide such update within the required period, the information as to which such update relates may be deemed not to have been provided in accordance with this Section 1.2.

(iv) If any information submitted pursuant to this Section 1.2 by any stockholder nominating individuals for election or reelection as a director or proposing business for consideration at a stockholder meeting shall be inaccurate in any material respect (as determined by the Board of Directors or a committee thereof), such information may be deemed not to have been provided in accordance with this Section 1.2. Any such Noticing Party shall notify the Secretary in writing at the principal executive offices of the Corporation of any material inaccuracy or change in any information submitted pursuant to this Section 1.2 (including if any such Noticing Party or any Stockholder Associated Person no longer intends to solicit proxies in accordance with the representation made pursuant to Section 1.2(c)(viii)(B)) within two (2) business days after becoming aware of such material inaccuracy or change, and any such notification shall clearly identify the inaccuracy or change, it being understood that no such notification may cure any deficiencies or inaccuracies with respect to any prior submission by such Noticing Party. Upon written request of the Secretary on behalf of the Board of Directors (or a duly authorized committee thereof), any such Noticing Party shall provide, within seven (7) business days after delivery of such request (or such other period as may reasonably be specified in such request), (A) written verification, reasonably satisfactory to the Board of Directors, any committee thereof or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by such Noticing Party pursuant to this Section 1.2 and (B) a written

affirmation of any information submitted by such Noticing Party pursuant to this Section 1.2 as of an earlier date. If a stockholder giving notice fails to provide such written verification or affirmation within such period, the information as to which written verification or affirmation was requested may be deemed not to have been provided in accordance with this Section 1.2.

(v) Subject to the Certificate of Incorporation, Section 1.2(e)(viii), Section 1.12 and applicable law, only persons nominated in accordance with procedures stated in this Section 1.2 and who otherwise comply with the director eligibility requirements set forth in these Bylaws shall be eligible for election as and to serve as a member of the Board of Directors and the only business that shall be conducted at an annual meeting of stockholders is the business that has been brought before the meeting in accordance with the procedures set forth in this Section 1.2. The number of Proposed Nominees a stockholder may include in a notice under this Section 1.2 may not exceed the number of directors to be elected at such meeting (based on a public announcement by the Corporation prior to the date of such notice), and for the avoidance of doubt, no stockholder shall be entitled to identify any additional or substitute persons as Proposed Nominees following the expiration of the time periods set forth in Section 1.2(b) or Section 1.2(d), as applicable. The chair of the meeting shall have the power and the duty to determine whether a nomination or any proposal has been made according to the procedures stated in this Section 1.2 and, if any nomination or proposal does not comply with this Section 1.2, unless otherwise required by law, the nomination or proposal shall be disregarded, and no vote shall be taken with respect to such nomination or proposal, in each case, notwithstanding that proxies with respect to such vote may have been received by the Corporation.

(vi) Notwithstanding the foregoing provisions of this Section 1.2, a stockholder shall also comply with all applicable requirements of the Act and the rules and regulations thereunder with respect to matters set forth in this Section 1.2. Nothing in this Section 1.2 shall affect any rights, if any, of stockholders to request inclusion of nominations or proposals in the Corporation's proxy statement pursuant to applicable provisions of federal law, including the Act.

(vii) Notwithstanding the foregoing provisions of this Section 1.2, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business or does not provide the information required by Section 1.2, including any required supplement thereto, such nomination shall be disregarded and such proposed business shall not be transacted, and no vote shall be taken with respect to such nomination or proposed business, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

(viii) All provisions of this Section 1.2 are subject to, and nothing in this Section 1.2 shall in any way limit the exercise, or the method or timing of the exercise of, the rights of any person granted by the Corporation to nominate directors.

(ix) Without limiting any other provisions and requirements of this Section 1.2, unless otherwise required by law, if (A) any Noticing Party or any Stockholder

Associated Person provides notice pursuant to Rule 14a-19(b) under the Act (for the avoidance of doubt, such notice must be delivered within the time period provided for in Section 1.2 to be considered timely) and (B) (I) such Noticing Party or Stockholder Associated Person subsequently either (x) notifies the Corporation that such Noticing Party or Stockholder Associated Person no longer intends to solicit proxies in support of director nominees other than the Corporation's nominees in accordance with Rule 14a-19(b) under the Act or (y) fails to comply with the requirements of Rule 14a-19(a)(2) or Rule 14a-19(a)(3) under the Act (or fails to timely provide reasonable evidence sufficient to satisfy the Corporation that such Noticing Party or Stockholder Associated Person has met the requirements of Rule 14a-19(a)(3) under the Act in accordance with the following sentence) and (II) no other Noticing Party giving notice or Stockholder Associated Person that has provided notice pursuant to Rule 14a-19(b) under the Act with respect to such Proposed Nominee(s) (x) to the Corporation's knowledge based on information provided pursuant to Rule 14a-19 under the Act or these Bylaws, still intends to solicit proxies in support of the election or reelection of such Proposed Nominee(s) in accordance with Rule 14a-19(b) under the and (y) has complied with the requirements of Rule 14a-19(a)(2) and Rule 14a-19(a)(3) under the Act and the requirements set forth in the following sentence, then such Noticing Party's nominations shall be deemed null and void and the Corporation shall disregard any proxies or votes solicited for such Noticing Party's nominees (notwithstanding that proxies may have been received by the Corporation). Upon request by the Corporation, if any Noticing Party provides notice pursuant to Rule 14a-19(b) under the Act, such Noticing Party shall deliver to the Corporation, no later than five (5) business days prior to the applicable meeting, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) under the Act.

(x) Any written notice, update or other information required to be delivered by a stockholder to the Corporation pursuant to this Section 1.2 must be given by personal delivery, by overnight courier or by registered or certified mail, postage prepaid, to the Secretary at the Corporation's principal executive offices and shall be deemed not to have been delivered unless so given.

Section 1.3. Special Meetings; Notice.

Special meetings of the stockholders of the Corporation may be called only in the manner set forth in the Certificate of Incorporation. Notice of every special meeting of the stockholders of the Corporation shall state the purpose or purposes of such meeting. Except as otherwise required by law, the business conducted at a special meeting of stockholders of the Corporation shall be limited exclusively to the business set forth in the Corporation's notice of meeting, and the individual or group calling such meeting shall have exclusive authority to determine the business included in such notice. The Board of Directors may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board of Directors.

Section 1.4. Notice of Meetings.

Notice of the place, if any, date and time of all meetings of stockholders of the Corporation, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and

the means of remote communications, if any, by which stockholders and proxy holders may be deemed present and vote at such meeting, and, in the case of all special meetings of stockholders, the purpose or purposes of the meeting, shall be given not less than ten (10) nor more than sixty (60) days before the date on which such meeting is to be held, to each stockholder entitled to notice of the meeting.

The Corporation may postpone or cancel any previously called annual or special meeting of stockholders of the Corporation by making a public announcement of such postponement or cancellation prior to the meeting. When a previously called annual or special meeting is postponed to another time, date or place, if any, notice of the place (if any), date and time of the postponed meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxy holders may be deemed present and vote at such postponed meeting, shall be given in conformity with this Section 1.4.

When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, thereof and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present and vote at such adjourned meeting are provided in accordance with the DGCL; however, if the date of any adjourned meeting is more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting, or if after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting the Board of Directors shall fix a new record date for notice of such adjourned meeting in conformity herewith to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting. At any adjourned meeting, any business may be transacted that may have been transacted at the original meeting.

Section 1.5. Quorum.

At any meeting of the stockholders, the holders of shares of stock of the Corporation entitled to cast a majority of the total votes entitled to be cast by the holders of all outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors ("Voting Stock"), present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number is required by applicable law or the Certificate of Incorporation. If a separate vote by one or more classes or series is required, the holders of shares entitled to cast a majority of the total votes entitled to be cast by the holders of the shares of the class or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter.

If a quorum shall fail to attend any meeting, the chair of the meeting may adjourn the meeting to another place, if any, date and time.

Section 1.6. Organization.

The chair of the Board of Directors or, in the chair's absence, the person whom the Board of Directors designates, shall call to order any meeting of the stockholders of the Corporation and act as chair of the meeting, and only the Board of Directors may further provide for determining who shall act as chair of any meeting of stockholders in the absence of the chair and such designee. In the absence of the Secretary of the Corporation, the secretary of the meeting shall be the person the chair appoints.

Section 1.7. Conduct of Business.

The chair of any meeting of stockholders of the Corporation shall determine the order of business and the rules of procedure for the conduct of such meeting, including the manner of voting and the conduct of discussion as the chair determines to be in order. The chair shall have the power to adjourn the meeting to another place, if any, date and time. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. The Board of Directors may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board of Directors, the chair of the meeting shall have the right and authority to convene and (for any or no reason) to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are necessary, appropriate or convenient for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chair of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (c) rules, regulations and procedures for maintaining order at the meeting and the safety of those present; (d) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (e) restrictions on entry to the meeting after the time fixed for the commencement thereof; (f) limitations on the time allotted to questions or comments by participants; (g) removal of any stockholder or any other individual who refuses to comply with meeting rules, regulations or procedures; (h) the conclusion, recess or adjournment of the meeting, regardless of whether a quorum is present, to a later date and time and at a place, if any, announced at the meeting; (i) restrictions on the use of audio and video recording devices, cell phones and other electronic devices; (j) rules, regulations or procedures for compliance with any state or local laws or regulations including those concerning safety, health and security; (k) procedures (if any) requiring attendees to provide the Corporation advance notice of their intent to attend the meeting and (l) any rules, regulations or procedures as the chair of the meeting may deem appropriate regarding the participation by means of remote communication of stockholders and proxyholders not physically present at a meeting, whether such meeting is to be held at a designated place or solely by means of remote communication. The Board of Directors or the chair of the meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a nomination or matter of business was not properly brought before the meeting and if such chair (or the Board of Directors) should so determine, such chair shall so declare to the

meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 1.8. Proxies; Inspectors.

(a) At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by applicable law. Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for exclusive use by the Corporation.

(b) Prior to a meeting of the stockholders of the Corporation, the Corporation shall appoint one or more inspectors to act at a meeting of stockholders of the Corporation and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting may, and to the extent required by applicable law, shall, appoint one or more inspectors to act at the meeting. Each inspector, before beginning the discharge of such inspector's duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of inspectors. The inspectors shall have the duties prescribed by applicable law.

Section 1.9. Voting.

Except as otherwise required by the rules or regulations of any stock exchange applicable to the Corporation or pursuant to any law or regulation applicable to the Corporation or its securities or by the Certificate of Incorporation or these Bylaws, all matters other than the election of directors shall be determined by a majority of the votes cast on the matter affirmatively or negatively. A nominee for director shall be elected if the number of votes properly cast "for" such nominee's election exceeds the number of votes properly cast "against" such nominee's election; provided that, if the number of persons properly nominated for election to the Board of Directors exceeds the number of directors to be elected, the directors shall be elected by the plurality of the votes properly cast.

Section 1.10. Action by Written Consent.

Except as otherwise provided in the Certificate of Incorporation, any action required or permitted to be taken by the stockholders of the Corporation may be effected by a consent in writing by such stockholders.

Section 1.11. Stock List.

A complete list of stockholders of the Corporation entitled to vote at any meeting of stockholders of the Corporation, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in the name of such stockholder, shall be open to the examination of any such stockholder, for any purpose germane to a meeting of the stockholders of the Corporation, for a period of at least ten (10) days before the meeting (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting or (b) during ordinary business hours at the principal place of business of the Corporation; provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the stockholders entitled to vote as of the 10th day before such meeting date.

Except as otherwise provided by law, the stock ledger shall be the sole evidence of the identity of the stockholders entitled to vote at a meeting and the number of shares held by each stockholder.

Section 1.12. Proxy Access.

(a) Whenever the Board of Directors solicits proxies with respect to the election of directors at an annual meeting of stockholders, subject to the provisions of this Section 1.12, the Corporation shall include in its proxy statement (including the proxy card) for such annual meeting, in addition to any persons nominated for election by the Board of Directors, including through a committee thereof, the name, together with the Required Information (defined below), of any person nominated for election (a "Stockholder Nominee") to the Board of Directors by any stockholder or group of no more than twenty (20) stockholders (provided that a group of funds that are (i) under common management and investment control, (ii) under common management and funded primarily by the same employer or (iii) a "group of investment companies," as such term is defined in Section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended, shall be treated as one stockholder) that satisfies the requirements of this Section 1.12 (the "Eligible Stockholder"), and who expressly elects at the time of providing a notice that names the Stockholder Nominee and otherwise satisfies the requirements of this Section 1.12 (the "Notice of Proxy Access Nomination") to have the Stockholder Nominee included in the Corporation's proxy materials (including the proxy card) pursuant to this Section 1.12. For purposes of this Section 1.12, the "Required Information" that the Corporation will include in its proxy statement is the information provided to the Secretary of the Corporation concerning the Stockholder Nominee and the Eligible Stockholder that is required to be disclosed in the Corporation's proxy statement by the Act, and, if the Eligible Stockholder so elects, a written statement, not to exceed 500 words, for each of its Stockholder Nominee(s) (the "Statement"). Only one Statement may be submitted by an Eligible Stockholder (including any group of stockholders together constituting an Eligible Stockholder) in support of its Stockholder Nominee(s). Notwithstanding anything to the contrary contained in this Section 1.12, the Corporation may (A) omit from its proxy materials any information or Statement (or portion thereof) that it, in good faith, believes would violate any applicable law, regulation or listing standard, and (B) solicit against any Stockholder Nominee or include in the Corporation's proxy

statement its own statement or other information relating to any Eligible Stockholder or Stockholder Nominee.

(b) To nominate a Stockholder Nominee, the Eligible Stockholder must timely submit the Notice of Proxy Access Nomination to the Secretary of the Corporation at the principal executive offices of the Corporation. To be timely, the Notice of Proxy Access Nomination must be delivered to the Secretary of the Corporation no earlier than one hundred twenty (120) days and no later than ninety (90) days before the anniversary of the date that the Corporation issued its proxy statement for the previous year's annual meeting of stockholders, or, if the date of the annual meeting of stockholders is more than thirty (30) days earlier or more than sixty (60) days later than the anniversary date of the most recent annual meeting of stockholders, then not later than the Close of Business on the 10th day after public announcement of the meeting date. In no event shall the public announcement of an adjournment or postponement of an annual meeting of stockholders commence a new time period (or extend any time period) for the giving of a Notice of Proxy Access Nomination.

(c) The maximum number of Stockholder Nominees nominated by all Eligible Stockholders that will be included in the Corporation's proxy materials with respect to an annual meeting of stockholders shall not exceed the greater of (x) two (2) or (y) twenty percent (20%) of the number of directors in office as of the last day on which a Notice of Proxy Access Nomination may be delivered pursuant to and in accordance with this Section 1.12 (the "Final Proxy Access Nomination Date"), or if such a number is not a whole number, the closest whole number (rounding down) below twenty percent (20%). In the event that one or more vacancies for any reason occurs on the Board of Directors after the Final Proxy Access Nomination Date but before the date of the annual meeting, and the Board of Directors resolves to reduce the size of the Board of Directors in connection therewith, the maximum number of Stockholder Nominees included in the Corporation's proxy materials shall be calculated based on the number of directors in office as so reduced. Any Stockholder Nominee who is included in the Corporation's proxy materials for a particular meeting of stockholders but either (i) withdraws from or becomes ineligible or unavailable for election at the meeting or (ii) does not receive at least twenty-five percent (25%) of the votes cast in favor of such Stockholder Nominee's election, will be ineligible to be a Stockholder Nominee pursuant to this Section 1.12 for the next two (2) annual meetings of stockholders following the meeting for which the Stockholder Nominee has been nominated for election. The following persons shall be considered Stockholder Nominees for purposes of determining when the maximum number of Stockholder Nominees provided for in this Section 1.12 has been reached: (w) any Stockholder Nominee whom the Board of Directors decides to nominate as a Board of Directors nominee, (x) any Stockholder Nominee who is subsequently withdrawn, (y) any director who had been a Stockholder Nominee at any of the preceding two annual meetings and whose reelection at the upcoming annual meeting is being recommended by the Board of Directors and (z) any director in office or director candidate that in either case will be included in the Corporation's proxy materials with respect to such annual meeting as an unopposed (by the Corporation) nominee pursuant to an agreement, arrangement or other understanding between the Corporation and a stockholder or group of stockholders, other than any such director who at the time of such annual meeting will have served as a director continuously, as a nominee of the Board of Directors, for

at least two annual terms. Any Eligible Stockholder submitting more than one Stockholder Nominee for inclusion in the Corporation's proxy materials pursuant to this Section 1.12 shall rank such Stockholder Nominees based on the order that the Eligible Stockholder desires such Stockholder Nominees to be selected for inclusion in the Corporation's proxy statement. In the event that the number of Stockholder Nominees submitted by Eligible Stockholders pursuant to this Section 1.12 exceeds the maximum number of nominees provided for in this Section 1.12, the highest ranking Stockholder Nominee who meets the requirements of this Section 1.12 from each Eligible Stockholder will be selected for inclusion in the Corporation's proxy materials until the maximum number is reached, proceeding in order of the amount (largest to smallest) of shares of common stock of the Corporation each Eligible Stockholder disclosed as owned in its respective Notice of Proxy Access Nomination submitted to the Corporation. If the maximum number is not reached after the highest-ranking Stockholder Nominee who meets the requirements of this Section 1.12 from each Eligible Stockholder has been selected, this process will continue as many times as necessary, following the same order each time, until the maximum number is reached. Notwithstanding anything to the contrary contained in this Section 1.12, if the Secretary of the Corporation receives notice pursuant to Section 1.2 of these Bylaws that a stockholder intends to nominate one or more persons for election to the Board of Directors at such meeting, no Stockholder Nominees will be included in the Corporation's proxy materials with respect to such meeting pursuant to this Section 1.12.

(d) For purposes of this Section 1.12, an Eligible Stockholder shall be deemed to "own" only those outstanding shares of common stock of the Corporation as to which the stockholder possesses (i) the sole power to vote, or direct the voting of, and to dispose, or to direct the disposition of, and (ii) the full economic interest in (including the opportunity for profit from and risk of loss on) such shares. The number of shares calculated in accordance with clauses (i) and (ii) shall not include any shares (A) sold by such stockholder (or any of its affiliates) in any transaction that has not been settled or closed, (B) borrowed by such stockholder (or any of its affiliates) for any purposes or purchased by such stockholder (or any of its affiliates) pursuant to an agreement to resell or (C) subject to any option, warrant, derivative or other agreement or understanding, whether any such arrangement is to be settled with shares of common stock of the Corporation or with cash based on the notional amount of shares subject thereto, in any such case which has, or is intended to have or if exercised would have, the purpose or effect of (I) reducing in any manner, to any extent or at any time in the future, such stockholder's (or its affiliates') rights to vote or direct the voting and full rights to dispose or direct the disposition of any of such shares and/or (II) offsetting to any degree any gain or loss arising from the full economic interest in such shares by such stockholder (or affiliate). An Eligible Stockholder's ownership of loaned shares shall be deemed to continue only during any period in which (x) the Eligible Stockholder has loaned such shares, provided that the Eligible Stockholder has the power to recall such loaned shares on not more than five (5) business days' notice and recalls such loaned shares not more than five (5) business days after being notified that any of its Stockholder Nominee(s) will be included in the Corporation's proxy materials or (y) the Eligible Stockholder has delegated any voting power by means of proxy, power of attorney, or other instrument or arrangement that is revocable at any time by the Eligible Stockholder. Whether outstanding shares of common stock of the Corporation are "owned" for these purposes will be determined by the Board of Directors. For purposes of this Section 1.12,

the term “affiliate” or “affiliates” shall have the meaning ascribed thereto under the rules and regulations promulgated under the Act.

(e) In order to make a nomination pursuant to this Section 1.12, an Eligible Stockholder must have owned the Required Ownership Percentage (as defined below) of the Corporation’s outstanding common stock (the “Required Shares”) continuously for the Minimum Holding Period (as defined below) as of both the date the Notice of Proxy Access Nomination is received by the Secretary of the Corporation in accordance with this Section 1.12 and the record date for determining the stockholders entitled to vote at the annual meeting and must continue to own the Required Shares through the meeting date. For purposes of this Section 1.12, the “Required Ownership Percentage” is 3% or more, and the “Minimum Holding Period” is 3 years. For purposes of determining the denominator to be used in calculating whether an Eligible Stockholder meets the Required Ownership Percentage, the Eligible Stockholder may rely on information about the outstanding shares of the Corporation, as set forth in the Corporation’s most recent quarterly or annual report, and any current report subsequent thereto, filed with the Securities and Exchange Commission pursuant to the Act, unless the Eligible Stockholder has reason to know that the information contained therein is inaccurate. Whenever an Eligible Stockholder consists of a group of stockholders and/or other persons, any and all requirements and obligations for an Eligible Stockholder set forth in this Section 1.12 must be satisfied by and as to each such stockholder or other person, except that shares may be aggregated to meet the Required Shares as provided in this Section 1.12.

(f) The Notice of Proxy Access Nomination must include: (i) in form and substance reasonably satisfactory to the Corporation, one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the Minimum Holding Period) verifying that, as of a date within seven (7) calendar days prior to the date the Notice of Proxy Access Nomination is delivered to, or mailed to and received by, the Secretary of the Corporation, the Eligible Stockholder owns, and has owned continuously for the Minimum Holding Period, the Required Shares, and the Eligible Stockholder’s agreement to provide, within five (5) business days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying the Eligible Stockholder’s continuous ownership of the Required Shares through the record date and immediate notice if the Eligible Stockholder ceases to own any of the Required Shares prior to the date of the applicable annual meeting of stockholders; (ii) documentation in form and substance reasonably satisfactory to the Corporation demonstrating that any group of funds being counted as one stockholder in meeting the definition of Eligible Stockholder are entitled to be treated as one stockholder for purposes of this Section 1.12, (iii) a copy of the Schedule 14N (or any successor form) that has been filed with the Securities and Exchange Commission as required by Rule 14a-18 under the Act (or any successor provisions); (iv) the information, representations, and agreements that are the same as those that would be required to be set forth in a stockholder’s notice of nomination pursuant to Section 1.2 of these Bylaws; (v) in the case of a nomination by a group of stockholders, that together is an Eligible Stockholder, the designation by all group members of one group member that is authorized to act on behalf of all such members with respect to the nomination and matters related thereto, including withdrawal of the nomination; (vi) the consent of each Stockholder Nominee to being named in the proxy statement as a nominee and to serving

as a director if elected, in form and substance reasonably satisfactory to the Corporation; (vii) a representation in form and substance reasonably satisfactory to the Corporation that the Eligible Stockholder (u) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control at the Corporation, and does not presently have such intent, (v) presently intends to maintain qualifying ownership of the Required Shares through the date of the annual meeting, (w) has not nominated and will not nominate for election to the Board of Directors at the annual meeting any person other than the Stockholder Nominee(s) being nominated pursuant to this Section 1.12, (x) has not engaged and will not engage in, and has not and will not be a “participant” in another person’s “solicitation” within the meaning of Rule 14a-1(l) under the Act in support of the election of any individual as a director at the annual meeting other than its Stockholder Nominee(s) or a nominee of the Board of Directors, (y) agrees to comply with all applicable laws and regulations applicable to the use, if any, of soliciting material, and (z) will provide facts, statements, and other information in all communications with the Corporation and its stockholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; (viii) a statement as to whether the Eligible Stockholder intends to maintain qualifying ownership of the Required Shares for at least one year following the annual meeting; and (ix) an undertaking in form and substance reasonably satisfactory to the Corporation that the Eligible Stockholder agrees to (x) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Stockholder’s communications with the stockholders of the Corporation or out of the information that the Eligible Stockholder provided to the Corporation and (y) indemnify and hold harmless the Corporation and each of its directors, officers and employees individually against any liability, loss, or damages, as incurred, in connection with any threatened or pending action, suit, or proceeding, whether legal, administrative or investigative, against the Corporation or any of its directors, officers, or employees arising out of any nomination submitted by the Eligible Stockholder pursuant to this Section 1.12. The Notice of Proxy Access Nomination must include a written representation and agreement from the Stockholder Nominee in form and substance reasonably satisfactory to the Corporation that such person (A) is not and will not become a party to (x) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a “Voting Commitment”) that has not been disclosed to the Corporation or (y) any Voting Commitment that could limit or interfere with such person’s ability to comply, if elected as a director of the Corporation, with such person’s fiduciary duties under applicable law, (B) has not during the past three (3) years, is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a director that has not been disclosed therein, (C) in such person’s individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with applicable law, all applicable rules of the U.S. exchanges upon which the common stock of the Corporation is listed, and all of the Corporation’s publicly disclosed corporate governance, conflict of interest, confidentiality, and stock ownership and trading policies and guidelines, (D) will provide facts, statements and other information in all communications with the Corporation and its stockholders that are or will be

true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading and (E) will irrevocably resign, pursuant to a letter of resignation, with such resignation to become automatically effective upon determination by the Board of Directors (excluding for this purpose the Stockholder Nominee) that (x) such Stockholder Nominee or the applicable Eligible Stockholder has breached or has failed to comply with any of its or their obligations under this Section 1.12 or any of its or their representations or agreements set forth in the Notice of Proxy Access Nomination (or otherwise submitted pursuant to this Section 1.12), (y) any of the information in the Notice of Proxy Access Nomination (or otherwise submitted pursuant to this Section 1.12) was not, when provided, true and correct in all material respects or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances they were made, not misleading, or (z) the requirements of this Section 1.12 had not otherwise been met. At the request of the Corporation, each Stockholder Nominee for election as a director of the Corporation must promptly, but in any event within five (5) business days after such request, submit all completed and signed questionnaires required of directors and officers to the Secretary of the Corporation. The Corporation may request such additional information, or such of the foregoing information in a form provided by the Secretary upon written request, as necessary to permit the Board of Directors to determine if each Stockholder Nominee satisfies the requirements of this Section 1.12.

(g) In the event that any information or communications provided by the Eligible Stockholder or the Stockholder Nominee to the Corporation or its stockholders ceases to be true and correct in all material respects or omits a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, each Eligible Stockholder or Stockholder Nominee, as the case may be, shall promptly notify the Secretary of the Corporation of any defect in such previously provided information and of the information that is required to correct any such defect; it being understood that providing any such notification shall not be deemed to cure any such defect or limit the remedies available to the Corporation relating to any such defect.

(h) The Corporation shall not be required to include in its proxy materials for any meeting of stockholders, pursuant to this Section 1.12, a Stockholder Nominee (i) for which the Secretary of the Corporation receives a notice that a stockholder has nominated such Stockholder Nominee for election to the Board of Directors pursuant to the advance notice requirements for stockholder nominees for director set forth in Section 1.2 of these Bylaws, (ii) if the Eligible Stockholder who has nominated such Stockholder Nominee has engaged in or is currently engaged in, or has been or is a “participant” in, another person’s “solicitation” within the meaning of Rule 14a-1(l) under the Act in support of the election of any individual as a director at the annual meeting other than its Stockholder Nominee(s) or a nominee of the Board of Directors, (iii) who is not independent under the listing standards of each principal U.S. exchange upon which the common stock of the Corporation is listed, any applicable rules of the Securities and Exchange Commission, and any publicly disclosed standards used by the Board of Directors in determining and disclosing independence of the Corporation’s directors, in each case as determined by the Board of Directors, (iv) who does not qualify as a “non-employee director” under Rule 16b-3 of the Act, (v) whose election as a member of the Board of Directors would

cause the Corporation to be in violation of these Bylaws, the Certificate of Incorporation, the rules and listing standards of the principal U.S. exchanges upon which the common stock of the Corporation is traded, or any applicable state or federal law, rule or regulation, (vi) who is currently or was within the last three (3) calendar years an officer, employee or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, as amended, (vii) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past ten (10) years, (viii) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended, (ix) if such Stockholder Nominee or the applicable Eligible Stockholder shall have provided information to the Corporation in respect to such nomination that was not true or correct in any material respect or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, as determined by the Board of Directors or any committee thereof, or (x) if such Stockholder Nominee or the applicable Eligible Stockholder has breached or has failed to comply with any of its or their obligations under this Section 1.12 or any of its or their representations or agreements set forth in the Notice of Proxy Access Nomination (or otherwise submitted pursuant to this Section 1.12) or any of the information in the Notice of Proxy Access Nomination (or otherwise submitted pursuant to this Section 1.12) was not, when provided, true or correct or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances they were made, not misleading, or the requirements of this Section 1.12 have not otherwise been met.

(i) Notwithstanding anything to the contrary set forth herein, the Board of Directors or the chair of the meeting of stockholders shall declare a nomination by an Eligible Stockholder to be invalid, and such nomination shall be disregarded and no vote on such Stockholder Nominee will occur, notwithstanding that proxies in respect of such vote may have been received by the Corporation, if (i) the Stockholder Nominee(s) becomes ineligible or unavailable for election at the annual meeting, as determined by the Board of Directors or the chair of the meeting, (ii) the Stockholder Nominee(s) and/or the applicable Eligible Stockholder shall have breached or failed to comply with any of its or their obligations under this Section 1.12 or any of its or their representations or agreements set forth in the Notice of Proxy Access Nomination (or otherwise submitted pursuant to this Section 1.12) or any of the information in the Notice of Proxy Access Nomination (or otherwise submitted pursuant to this Section 1.12) was not, when provided, true or correct or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances they were made, not misleading, or the requirements of this Section 1.12 have not otherwise been met, as determined by the Board of Directors or the chair of the meeting, or (iii) the Eligible Stockholder (or a qualified representative thereof) does not appear at the meeting of stockholders to present any nomination pursuant to this Section 1.12. In addition, the Corporation will not be required to include in its proxy materials any successor or replacement Stockholder Nominee proposed by the applicable Eligible Stockholder or any other Eligible Stockholder.

(j) With respect to any particular annual meeting, no stockholder or other person may be a member of more than one group of persons constituting an Eligible Stockholder under this Section 1.12.

(k) The Board of Directors (and any other person or body authorized by the Board of Directors) shall have the power and authority to interpret this Section 1.12 and to make any and all determinations necessary or advisable to apply this Section 1.12 to any persons, facts, or circumstances, including the power to determine whether: (i) a person or group of persons qualifies as an Eligible Stockholder, (ii) outstanding shares of the Corporation's capital stock are "owned" for purposes of meeting the ownership requirements of this Section 1.12, (iii) a notice complies with the requirements of this Section 1.12, (iv) a person satisfies the qualifications and requirements to be a Stockholder Nominee, (v) inclusion of the Required Information in the Corporation's proxy statement is consistent with all applicable laws, rules, regulations, and listing standards and (vi) any and all requirements of this Section 1.12 have been satisfied. Any such interpretation or determination adopted in good faith by the Board of Directors (or any other person or body authorized by the Board of Directors) shall be conclusive and binding on all persons, including the Corporation and all record or beneficial owners of stock of the Corporation.

SECTION 2 — BOARD OF DIRECTORS

Section 2.1. General Powers and Qualifications of Directors

The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authorities these Bylaws expressly confer upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by the DGCL or by the Certificate of Incorporation or by these Bylaws required to be exercised or done by the stockholders. Directors need not be stockholders of the Corporation to be qualified for election or service as a director of the Corporation. No person shall be eligible for election or appointment as a director unless such person has, within ten (10) days following any reasonable request therefor from the Board of Directors or any committee thereof, made himself or herself available to be interviewed by the Board of Directors (or any committee or other subset thereof) with respect to such person's qualifications to serve as a director or any other matter reasonably related to such person's candidacy or service as a director of the Corporation.

Section 2.2. Removal; Resignation

Except as otherwise provided for in the Certificate of Incorporation, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the voting power of the Voting Stock, voting together as a single class. Any director may resign at any time upon notice given in writing, including by electronic transmission, to the Corporation.

Section 2.3. Regular Meetings

Regular meetings of the Board of Directors shall be held at the place (if any), on the date and at the time as shall have been established by the Board of Directors and publicized among all directors. A notice of a regular meeting, the date of which has been so publicized, shall not be required.

Section 2.4. Special Meetings.

Special meetings of the Board of Directors may be called by the chair of the Board of Directors, the Chief Executive Officer of the Corporation, the Lead Director or by two or more directors then in office and shall be held at the place, if any, on the date and at the time as they shall fix. Notice of the place, if any, date and time of each special meeting shall be given to each director either (a) by mailing written notice thereof not less than five days before the meeting, or (b) by telephone, email, facsimile or other means of electronic transmission providing notice thereof not less than twenty-four hours before the meeting or on such shorter notice as the person or persons calling the meeting may deem necessary or appropriate under the circumstances. Any and all business may be transacted at a special meeting of the Board of Directors.

Section 2.5. Quorum.

At any meeting of the Board of Directors, a majority of the total number of directors then in office shall constitute a quorum for all purposes. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, if any, date or time, without further notice or waiver thereof.

Section 2.6. Participation in Meetings By Conference Telephone or Other Communications Equipment.

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of the Board of Directors or committee thereof by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other director, and such participation shall constitute presence in person at the meeting.

Section 2.7. Conduct of Business.

At any meeting of the Board of Directors, business shall be transacted in the order and manner that the Board of Directors may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, provided a quorum is present at the time such matter is acted upon, except as otherwise provided in the Certificate of Incorporation or these Bylaws or required by applicable law. The Board of Directors or any committee thereof may take action without a meeting if all members thereof consent thereto in writing or by electronic transmission, and the writing or writings, or electronic transmission or electronic transmissions, are filed with the minutes of proceedings of the Board of Directors or any committee thereof. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 2.8. Compensation of Directors.

The Board of Directors shall be authorized to fix the compensation of directors. The directors of the Corporation shall be paid their expenses, if any, of attendance at each meeting of the Board of Directors and shall be reimbursed a fixed sum for attendance at each meeting of the

Board of Directors, paid an annual retainer or paid other compensation, including equity compensation, as directors of the Corporation. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of committees shall be paid compensation for attending committee meetings and/or have their expenses, if any, of attendance of each meeting of such committee reimbursed.

SECTION 3 — COMMITTEES

Section 3.1. Committees of the Board of Directors.

The Board of Directors may designate committees of the Board of Directors, with such lawfully delegable powers and duties as it thereby confers, to serve at the pleasure of the Board of Directors and shall, for those committees, appoint a director or directors to serve as the member or members, designating, if it desires, other directors as alternate members who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of any member of any committee and any alternate member in such member's place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not they constitute a quorum, may by unanimous vote appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member. All provisions of this Section 3.1 are subject to, and nothing in this Section 3.1 shall in any way limit the exercise or method or timing of the exercise of, the rights of any person granted by the Corporation with respect to the existence, duties, composition or conduct of any committee of the Board of Directors.

SECTION 4 — OFFICERS

Section 4.1. Generally.

The officers of the Corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer and other officers as may from time to time be appointed by the Board of Directors. Each officer shall hold office until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any number of offices may be held by the same person. The salaries of officers appointed by the Board of Directors shall be fixed from time to time by the Board of Directors or a committee thereof or by the officers as may be designated by resolution of the Board of Directors.

Section 4.2. President.

Unless otherwise determined by the Board of Directors, the President shall be the Chief Executive Officer of the Corporation. Subject to the provisions of these Bylaws and to the direction of the Board of Directors, the Chief Executive Officer shall have the responsibility for the general management and control of the business and affairs of the Corporation and shall perform all duties and have all powers that are commonly incident to the office of chief executive or which are delegated to the Chief Executive Officer by the Board of Directors. The Chief Executive Officer shall have the power to sign all stock certificates, contracts and other

instruments of the Corporation that are authorized and shall have general supervision and direction of all of the other officers, employees and agents of the Corporation.

Section 4.3. Vice President.

Each Vice President shall have the powers and duties delegated to such Vice President by the Board of Directors or the President. One Vice President may be designated by the Board of Directors to perform the duties and exercise the powers of the President in the event of the President's absence or disability.

Section 4.4. Treasurer.

The Treasurer shall have the responsibility for maintaining the financial records of the Corporation. The Treasurer shall make such disbursements of the funds of the Corporation as are authorized and shall render from time to time an account to the Board of Directors of all such transactions and of the financial condition of the Corporation. The Treasurer shall also perform other duties as the Board of Directors may from time to time prescribe.

Section 4.5. Secretary.

The Secretary shall issue all authorized notices for, and shall keep minutes of, all meetings of the stockholders and the Board of Directors. The Secretary shall have charge of the corporate books and shall perform other duties as the Board of Directors may from time to time prescribe.

Section 4.6. Delegation of Authority.

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 4.7. Removal.

The Board of Directors may remove any officer of the Corporation at any time, with or without cause.

Section 4.8. Action with Respect to Securities of Other Companies.

Unless otherwise directed by the Board of Directors, the President, or any officer of the Corporation authorized by the President, shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders or equityholders of, or with respect to any action of, stockholders or equityholders of any other entity in which the Corporation may hold securities and otherwise to exercise any and all rights and powers which the Corporation may possess by reason of its ownership of securities in such other entity.

SECTION 5 — STOCK

Section 5.1. Certificates of Stock.

Shares of the capital stock of the Corporation may be certificated or uncertificated, as provided in the DGCL. Stock certificates shall be signed by, or in the name of the Corporation by, (a) the chair of the Board of Directors (if any) or the vice-chair of the Board of Directors (if any), the President or a Vice President, and (b) the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer, certifying the number of shares owned by such stockholder. Any signatures on a certificate may be by facsimile.

Section 5.2. Transfers of Stock.

Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation (within or without the State of Delaware) or by transfer agents designated to transfer shares of the stock of the Corporation.

Section 5.3. Lost, Stolen or Destroyed Certificates.

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to regulations as the Board of Directors may establish concerning proof of the loss, theft or destruction and concerning the giving of a satisfactory bond or indemnity.

Section 5.4. Regulations.

The issue, transfer, conversion and registration of certificates of stock of the Corporation shall be governed by other regulations as the Board of Directors may establish.

Section 5.5. Record Date.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the Close of Business on the day next preceding the day on which notice is given, or, if notice is waived, at the Close of Business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the Close of Business on the day on which the Board of Directors adopts the resolution relating thereto.

SECTION 6 — INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 6.1. Indemnification.

The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (an “Indemnitee”) who was or is made, or is threatened to be made, a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a “Proceeding”), by reason of the fact that an Indemnitee, or a person for whom an Indemnitee is the legal representative, is or was a director or an officer of the Corporation or, while a director or an officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee, member, trustee or agent of another corporation or of a partnership, joint venture, trust, nonprofit entity or other enterprise (including, but not limited to, service with respect to employee benefit plans) (any such entity, an “Other Entity”), against all liability and loss suffered (including, but not limited to, expenses (including, but not limited to, attorneys’ fees and expenses), judgments, fines and amounts paid in settlement actually and reasonably incurred by such Indemnitee in connection with such Proceeding). Notwithstanding the preceding sentence, the Corporation shall be required to indemnify an Indemnitee in connection with a Proceeding (or part thereof) commenced by such Indemnitee only if the commencement of such Proceeding (or part thereof) by the Indemnitee was authorized by the Board of Directors of the Corporation or the Proceeding (or part thereof) relates to the enforcement of the Corporation’s obligations under this Section 6.1.

Section 6.2. Advancement of Expenses.

The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including, but not limited to, attorneys’ fees and expenses) incurred by an Indemnitee in defending any proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Indemnitee to repay all amounts advanced if it should be ultimately determined that the Indemnitee is not entitled to be indemnified under this Section 6 or otherwise.

Section 6.3. Claims.

If a claim for indemnification (following the final disposition of such proceeding) or advancement of expenses under this Section 6 is not paid in full within sixty (60) days after a written claim therefor by the Indemnitee has been received by the Corporation, the Indemnitee

may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the Indemnitee is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 6.4. Insurance.

The Corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, trustee, employee or agent of the Corporation, or was serving at the request of the Corporation as a director, officer, trustee, employee or agent of an Other Entity, against any liability asserted against the person and incurred by the person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Section 6.

Section 6.5. Non-Exclusivity of Rights.

The rights conferred on any Indemnitee by this Section 6 are not exclusive of other rights arising under any bylaw, agreement, vote of directors or stockholders or otherwise, and shall inure to the benefit of the heirs and legal representatives of such Indemnitee.

Section 6.6. Amounts Received from an Other Entity.

Subject to Section 6.7, the Corporation's obligation, if any, to indemnify or to advance expenses to any Indemnitee who was or is serving at the Corporation's request as a director, officer, employee, member, trustee or agent of an Other Entity shall be reduced by any amount such Indemnitee may collect as indemnification or advancement of expenses from such Other Entity.

Section 6.7. Indemnification Priority.

As between the Corporation and any other person (other than an entity directly or indirectly controlled by the Corporation) who provide indemnification to the Indemnitees for their service to, or on behalf of, the Corporation (collectively, the "Secondary Indemnitors") (a) the Corporation shall be the full indemnitor of first resort in respect of indemnification or advancement of expenses in connection with any Jointly Indemnifiable Claims (as defined below), pursuant to and in accordance with the terms of this Section 6, irrespective of any right of indemnification, advancement of expenses or other right of recovery any Indemnitee may have from any Secondary Indemnitor (i.e., the Corporation's obligations to such Indemnitees are primary and any obligation of any Secondary Indemnitor to advance expenses or to provide indemnification for the same loss or liability incurred by such Indemnitees is secondary to the Corporation's obligations), (b) the Corporation shall be required to advance the full amount of expenses incurred by any such Indemnitee and shall be liable for the full amount of all liability and loss suffered by such Indemnitee (including, but not limited to, expenses (including, but not limited to, attorneys' fees and expenses), judgments, fines and amounts paid in settlement actually and reasonably incurred by such Indemnitee in connection with such Proceeding),

without regard to any rights any such Indemnitee may have against any Secondary Indemnitor, and (c) the Corporation irrevocably waives, relinquishes and releases each Secondary Indemnitor from any and all claims against such Secondary Indemnitor for contribution, subrogation or any other recovery of any kind in respect thereof. The Corporation shall indemnify each Secondary Indemnitor directly for any amounts that such Secondary Indemnitor pays as indemnification or advancement on behalf of any such Indemnitee and for which such Indemnitee may be entitled to indemnification from the Corporation in connection with Jointly Indemnifiable Claims. No right of indemnification, advancement of expenses or other right of recovery that an Indemnitee may have from any Secondary Indemnitor shall reduce or otherwise alter the rights of the Indemnitee or the obligations of the Corporation hereunder. No advancement or payment by any Secondary Indemnitor on behalf of any such Indemnitee with respect to any claim for which such Indemnitee has sought indemnification from the Corporation shall affect the foregoing and the Secondary Indemnitors shall be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Indemnitee against the Corporation. Each Indemnitee shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure the rights of such Indemnitee's Secondary Indemnitors under this Section 6.7, including the execution of such documents as may be necessary to enable the Secondary Indemnitors effectively to bring suit to enforce such rights, including in the right of the Corporation. Each of the Secondary Indemnitors shall be third-party beneficiaries with respect to this Section 6.7, entitled to enforce this Section 6.7. As used in this Section 6.7, the term "Jointly Indemnifiable Claims" shall be broadly construed and shall include, without limitation, any action, suit, proceeding or other matter for which an Indemnitee shall be entitled to indemnification or advancement of expenses from both a Secondary Indemnitor and the Corporation, whether pursuant to Delaware law, any agreement or certificate of incorporation, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Corporation or the Secondary Indemnitors, as applicable.

Section 6.8. Amendment or Repeal.

Any right to indemnification or to advancement of expenses of any Indemnitee arising hereunder shall not be eliminated or impaired by an amendment to or repeal of this Section 6 after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit, proceeding or other matter for which indemnification or advancement of expenses is sought.

Section 6.9. Other Indemnification and Advancement of Expenses.

This Section 6 shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Indemnitees when and as authorized by appropriate corporate action.

Section 6.10. Reliance.

Indemnitees who after the date of the adoption of this Section 6 become or remain an Indemnitee described in Section 6.1 will be conclusively presumed to have relied on the rights to

indemnity, advancement of expenses and other rights contained in this Section 6 in entering into or continuing the service. The rights to indemnification and to the advancement of expenses conferred in this Section 6 will apply to claims made against any Indemnitee described in Section 6.1 arising out of acts or omissions that occurred or occur either before or after the adoption of this Section 6 in respect of service as a director or officer of the Corporation or other service described in Section 6.1.

SECTION 7 — NOTICES

Section 7.1. Notices.

Except as otherwise provided herein or permitted by applicable law, notices to directors and stockholders shall be in writing and delivered personally or mailed to the directors or stockholders at their addresses appearing on the books of the Corporation. If mailed, notice to a stockholder of the Corporation shall be deemed given when deposited in the mail, postage prepaid, directed to a stockholder at such stockholder's address as it appears on the records of the Corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders of the Corporation may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

Section 7.2. Waivers.

A written waiver of any notice, signed by a stockholder or director, or a waiver by electronic transmission by such person or entity, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person or entity. Neither the business nor the purpose of any meeting need be specified in the waiver. Attendance at any meeting shall constitute waiver of notice except attendance for the sole purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8 — MISCELLANEOUS

Section 8.1. Corporate Seal.

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

Section 8.2. Reliance upon Books, Reports, and Records.

Each director and each member of any committee designated by the Board of Directors of the Corporation shall, in the performance of their duties, be fully protected in relying in good faith upon the books and records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers, agents or employees, or committees of the Board of Directors so designated, or by any other person or entity as to matters

which such director or committee member reasonably believes are within such other person's or entity's professional or expert competence and that has been selected with reasonable care by or on behalf of the Corporation.

Section 8.3. Fiscal Year.

The fiscal year of the Corporation shall be as fixed by the Board of Directors.

Section 8.4. Time Periods.

In applying any provision of these Bylaws that requires that an act be done or not be done a specified number of days before an event or that an act be done during a specified number of days before an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

SECTION 9 — AMENDMENTS

These Bylaws may be altered, amended or repealed in accordance with the Certificate of Incorporation and the DGCL.

SECTION 10 — EMERGENCY BYLAWS

Section 10.1. Emergency Bylaws.

This Section 10 shall be operative during any emergency, disaster or catastrophe, as referred to in Section 110 of the DGCL or other similar emergency condition (including a pandemic), as a result of which a quorum of the Board of Directors or a committee thereof cannot readily be convened for action (each, an "Emergency"), notwithstanding any different or conflicting provision in the preceding Sections of these Bylaws or in the Certificate of Incorporation. To the extent not inconsistent with the provisions of this Section 10, the preceding Sections of these Bylaws and the provisions of the Certificate of Incorporation shall remain in effect during such Emergency, and upon termination of such Emergency, the provisions of this Section 10 shall cease to be operative unless and until another Emergency shall occur.

Section 10.2. Meetings; Notice.

During any Emergency, a meeting of the Board of Directors or any committee thereof may be called by any member of the Board of Directors or such committee or the chair of the Board of Directors, the Chief Executive Officer, the President or the Secretary of the Corporation. Notice of the place, date and time of the meeting shall be given by any available means of communication by the person calling the meeting to such of the directors or committee members and Designated Officers (as defined below) as, in the judgment of the person calling the meeting, it may be feasible to reach. Such notice shall be given at such time in advance of the meeting as, in the judgment of the person calling the meeting, circumstances permit.

Section 10.3. Quorum.

At any meeting of the Board of Directors called in accordance with Section 10.2 above, the presence or participation of three (3) directors shall constitute a quorum for the transaction of business, and at any meeting of any committee of the Board of Directors called in accordance with Section 10.2 above, the presence or participation of one (1) committee member shall constitute a quorum for the transaction of business. In the event that the requisite number of directors is not able to attend a meeting of the Board of Directors or any committee thereof, then the Designated Officers in attendance shall serve as directors, or committee members, as the case may be, for the meeting, without any additional quorum requirement and will have full powers to act as directors, or committee members, as the case may be, of the Corporation.

Section 10.4. Liability.

No officer, director or employee of the Corporation acting in accordance with the provisions of this Section 10 shall be liable except for willful misconduct.

Section 10.5. Amendments.

At any meeting called in accordance with Section 10.2 above, the Board of Directors, or any committee thereof, as the case may be, may modify, amend or add to the provisions of this Section 10 as it deems it to be in the best interests of the Corporation and as is practical or necessary for the circumstances of the Emergency.

Section 10.6. Repeal or Change.

The provisions of this Section 10 shall be subject to repeal or change by further action of the Board of Directors or by action of the stockholders pursuant to Section 9, but no such repeal or change shall modify the provisions of Section 10.4 above with regard to action taken prior to the time of such repeal or change.

Section 10.7. Definitions.

For purposes of this Section 10, the term “Designated Officer” means an officer identified on a numbered list of officers of the Corporation who shall be deemed to be, in the order in which they appear on the list up until a quorum is obtained, directors of the Corporation, or members of a committee of the Board of Directors, as the case may be, for purposes of obtaining a quorum during an Emergency, if a quorum of directors or committee members, as the case may be, cannot otherwise be obtained during such Emergency, which officers have been designated by the Board of Directors from time to time but in any event prior to such time or times as an Emergency may have occurred.

LPL FINANCIAL HOLDINGS INC.

Non-Employee Director Compensation Policy

Annual Retainer

- All non-employee directors receive an annual retainer of \$335,000, which is paid in advance on the next business day following the Company's annual meeting of stockholders (the "Annual Payment Date"). Of this amount, \$110,000 is paid in a lump sum in cash and \$225,000 is paid in the form of restricted shares of the Company's common stock (the "Common Stock").
- The restricted shares are issued under the Company's 2021 Omnibus Equity Incentive Plan (the "2021 Plan") and vest in full on the date immediately prior to the date of the Company's next annual meeting of stockholders (the "Vesting Date"). The number of restricted shares is determined by dividing \$225,000 by the average of the closing price per share of the Common Stock on The NASDAQ Stock Market for the trailing thirty consecutive trading days inclusive of the Annual Payment Date (the "Grant Price"), rounded down to the nearest whole share.
- In lieu of the above cash payment, a non-employee director may make an election (an "Election") to be issued, on the Annual Payment Date, a number of shares of the Common Stock under the 2021 Plan determined by dividing \$110,000 by the Grant Price, rounded down to the nearest whole share. An Election must be delivered in writing (including electronic mail) prior to the Annual Payment Date during an open trading window under the Company's insider trading policy.

Additional Service Retainers

- Members of the standing committees of the Board of Directors receive annual service retainers in the following amounts, paid in cash in quarterly installments following the end of each quarter of service:

	Chair	Each Other Member
Audit Committee	\$45,000	\$15,000
Compensation and Human Resources Committee	\$30,000	\$12,500
Nominating and Governance Committee	\$25,000	\$10,000

- The Chair of the Board receives an additional annual service retainer of \$175,000, paid in cash in quarterly installments following the end of each quarter of service.

Newly Elected Directors

Following a non-employee director's initial election to the Board of Directors other than on the date of an annual meeting of stockholders, he or she will receive a portion of the annual retainer (the "Pro-Rated Retainer"), payable on the first business day of the month immediately following such election (the "Election Payment Date").

- The cash portion of the Pro-Rated Retainer will be calculated by multiplying \$110,000 by a fraction, the numerator of which is the number of full months between the Election Payment Date and the Vesting Date and the denominator of which is 12 (the "Cash Amount").
- The number of restricted shares to be issued will be determined by (i) multiplying \$225,000 by a fraction, the numerator of which is the number of full months between the Election Payment Date and the Vesting Date and the denominator of which is 12, and (ii) dividing such product by the average of the closing price per share of the Common Stock on The NASDAQ Stock Market for the trailing thirty consecutive trading days inclusive of the Election Payment Date, rounded down to the nearest whole share. The restricted shares will be issued under the 2021 Plan and vest in full on the Vesting Date.
- In lieu of the above cash payment, a non-employee director may make an election to be issued, on the

Election Payment Date, a number of shares of Common Stock under the 2021 Plan determined by dividing the Cash Amount by the average of the closing price per share of the Common Stock on The NASDAQ Stock Market for the trailing thirty consecutive trading days inclusive of the Election Payment Date, rounded down to the nearest whole share. Such an election must be delivered in writing (including electronic mail) on or prior to the date of the director's election to the Board of Directors.

Newly elected directors, and directors who are newly appointed to a committee, will also be entitled to pro-rated service retainers for any full month following his or her initial election to the Board of Directors or initial appointment to a committee of the Board of Directors, as applicable.

Directors may elect to defer their annual retainer, but not, for the avoidance of doubt, their additional service retainers, under the Company's Non-Employee Director Deferred Compensation Plan. If the restricted stock portion of the annual retainer is deferred, a director will receive a grant of restricted stock units under the 2021 Plan in lieu of restricted stock.

In the discretion of the Board of Directors, the grant date of shares of Common Stock, including restricted shares, may be delayed until the next open trading window under the Company's insider trading policy then in effect.

Effective as of May 14, 2026

List of Subsidiary Guarantors and Issuers of Guaranteed Securities

As of June 30, 2026, LPL Financial Holdings Inc., a Delaware corporation, has fully and unconditionally guaranteed the 5.700% Senior Notes due 2027, the 4.900% and 6.750% Senior Notes due 2028, the 5.150% and 5.200% Senior Notes due 2030, the 6.000% Senior Notes due 2034 and the 5.650% and 5.750% Senior Notes due 2035 issued by LPL Holdings, Inc., a Massachusetts corporation, pursuant to offerings registered under the Securities Act of 1933, as amended.

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER

I, Richard Steinmeier, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LPL Financial Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2026

/s/ Richard Steinmeier

Richard Steinmeier
Chief Executive Officer
(principal executive officer)

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER

I, Matthew Audette, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LPL Financial Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2026

/s/ Matthew Audette

Matthew Audette
President and Chief Financial Officer
(principal financial officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of LPL Financial Holdings Inc. (the "Company") for the period ending June 30, 2026 as filed with the Securities and Exchange Commission ("SEC") on the date hereof (the "Report"), I, Richard Steinmeier, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Date: August 3, 2026

/s/ Richard Steinmeier

Richard Steinmeier
Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of LPL Financial Holdings Inc. (the "Company") for the period ending June 30, 2026 as filed with the Securities and Exchange Commission ("SEC") on the date hereof (the "Report"), I, Matthew Audette, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Date: August 3, 2026

/s/ Matthew Audette

Matthew Audette
President and Chief Financial Officer