

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 September 30, 2025
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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 October 30, 2025 was 80,037,622.

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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-dealers 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 November 3, 2025. 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 and certain regulatory charges.

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 (loss) income plus the after-tax impact of amortization of other intangibles, acquisition costs, and certain regulatory charges.

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; and acquisition costs.

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., Commonwealth Equity Services, LLC ("CES"), and certain of Atria Wealth Solutions, Inc.'s ("Atria") introducing broker-dealer subsidiaries, 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 (loss) income plus interest expense on borrowings, (benefit from) 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 advisor.

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 over 32,000 financial advisors, and the wealth management practices of approximately 1,100 financial institutions, servicing and custodialing approximately \$2.3 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

Closed on the acquisition of Commonwealth Financial Network (“Commonwealth”)

On August 1, 2025, the Company closed on the acquisition of Commonwealth, a privately-held independent wealth management firm headquartered in Massachusetts, for a cash payment of approximately \$2.7 billion. As part of the transaction, Commonwealth will transition its advisory and brokerage assets to the Company's platform. The Company expects to complete the conversion in the fourth quarter of 2026. Commonwealth's results were included in the Company's condensed consolidated statements of income from August 1, 2025 through September 30, 2025 and condensed consolidated statements of financial condition as of September 30, 2025. See Note 4 - *Acquisitions* within the notes to the condensed consolidated financial statements for additional information.

Executive Summary

Financial Highlights

Results for the third quarter of 2025 included a net loss of \$29.5 million, or a \$0.37 loss per diluted share, which compares to net income of \$255.3 million, or \$3.39 per diluted share, for the third quarter of 2024. The net loss for the third quarter of 2025 was driven by \$419.0 million of acquisition related expenses incurred at the closing of Commonwealth. Adjusted net income and adjusted earnings per share for the third quarter of 2025, which exclude these items, were \$418.2 million and \$5.20 per diluted share, respectively, which compares to \$313.4 million and \$4.16 per diluted share for the third quarter of 2024. See the “*Key Performance Metrics*” section and Note 4 - *Acquisitions*, within the notes to the condensed consolidated financial statements for additional information.

Asset Trends

Total advisory and brokerage assets served were \$2.3 trillion at September 30, 2025, compared to \$1.6 trillion at September 30, 2024. Total net new assets were \$307.7 billion for the three months ended September 30, 2025, compared to \$27.5 billion for the same period in 2024.

Net new advisory assets were \$229.0 billion for the three months ended September 30, 2025, compared to \$23.7 billion for the same period in 2024. Advisory assets were \$1.3 trillion, or 58% of total advisory and brokerage assets served, at September 30, 2025, up 51% from \$892.0 billion at September 30, 2024.

Net new brokerage assets were \$78.7 billion for the three months ended September 30, 2025, compared to \$3.8 billion for the same period in 2024. Brokerage assets were \$967.7 billion at September 30, 2025, up 38% from \$700.1 billion at September 30, 2024.

Gross Profit Trend

Gross profit, a non-GAAP financial measure, was \$1.5 billion for the three months ended September 30, 2025, an increase of 31% from \$1.1 billion for the three months ended September 30, 2024. See the “*Key Performance Metrics*” section for additional information on gross profit.

Common Stock Dividends

During the three months ended September 30, 2025, we paid stockholders cash dividends of \$24.0 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		
	September 30, 2025	June 30, 2025	September 30, 2024
Operating Metrics (dollars in billions)⁽¹⁾			
Advisory and Brokerage Assets⁽²⁾			
Advisory assets	\$ 1,346.9	\$ 1,060.7	\$ 892.0
Brokerage assets	967.7	858.5	700.1
Total Advisory and Brokerage Assets	\$ 2,314.5	\$ 1,919.2	\$ 1,592.1
Advisory as a % of total Advisory and Brokerage Assets	58.2%	55.3%	56.0%
Net New Assets⁽³⁾			
Net new advisory assets	\$ 229.0	\$ 23.1	\$ 23.7
Net new brokerage assets	78.7	(2.6)	3.8
Total Net New Assets	\$ 307.7	\$ 20.5	\$ 27.5
Organic Net New Assets			
Organic net new advisory assets	\$ 29.6	\$ 23.1	\$ 23.2
Organic net new brokerage assets	3.1	(2.6)	3.8
Total Organic Net New Assets	\$ 32.7	\$ 20.5	\$ 27.0
Organic advisory net new assets annualized growth ⁽⁴⁾	11.2%	9.5%	11.2%
Total organic net new assets annualized growth ⁽⁴⁾	6.8%	4.6%	7.2%
Client Cash Balances			
Insured cash account sweep	\$ 36.9	\$ 34.2	\$ 32.1
Deposit cash account sweep	13.0	10.8	9.6
Total Bank Sweep	49.9	44.9	41.7
Money market sweep	4.2	3.7	2.3
Total Client Cash Sweep Held by Third Parties	54.1	48.6	44.0
Client cash account	1.8	2.0	1.8
Total Client Cash Balances	\$ 55.8	\$ 50.6	\$ 45.8
Client Cash Balances as a % of Total Assets	2.4%	2.6%	2.9%
Net buy (sell) activity ⁽⁵⁾	\$ 41.8	\$ 36.6	\$ 37.7
Business and Financial Metrics (dollars in millions)			
	September 30, 2025	June 30, 2025	September 30, 2024
Advisors	32,128	29,353	23,686
Average total assets per advisor ⁽⁶⁾	\$ 72.0	\$ 65.4	\$ 67.2
Dividends	\$ 24.0	\$ 24.0	\$ 22.4
Leverage ratio ⁽⁷⁾	2.04	1.23	1.61

<i>Financial Metrics (dollars in millions, except per share data)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Total revenue	\$ 4,552.0	\$ 3,108.4	\$ 12,057.0	\$ 8,872.8
Net (loss) income	\$ (29.5)	\$ 255.3	\$ 562.3	\$ 787.9
(Loss) earnings per share ("EPS"), diluted	\$ (0.37)	\$ 3.39	\$ 7.15	\$ 10.45
Non-GAAP Financial Metrics (dollars in millions, except per share data)				
Adjusted EPS ⁽⁸⁾	\$ 5.20	\$ 4.16	\$ 14.86	\$ 12.25
Gross profit ⁽⁹⁾	\$ 1,479.3	\$ 1,128.1	\$ 4,056.3	\$ 3,273.7
Adjusted EBITDA ⁽¹⁰⁾	\$ 774.8	\$ 566.2	\$ 2,145.5	\$ 1,639.6
Core G&A ⁽¹¹⁾	\$ 477.3	\$ 359.1	\$ 1,316.0	\$ 1,093.6

- (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 CES and Atria's 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):

	September 30, 2025	June 30, 2025	September 30, 2024
Credit Agreement Net Debt Reconciliation			
Corporate debt and other borrowings	\$ 7,564.0	\$ 7,220.0	\$ 4,469.2
Corporate Cash ⁽¹²⁾	(568.4)	(3,617.0)	(708.4)
Credit Agreement Net Debt⁽¹¹⁾	\$ 6,995.6	\$ 3,603.0	\$ 3,760.8

	September 30, 2025	June 30, 2025	September 30, 2024
EBITDA and Credit Agreement EBITDA Reconciliation			
Net income	\$ 833.1	\$ 1,117.9	\$ 1,005.4
Interest expense on borrowings	379.8	341.3	246.6
Provision for income taxes	260.2	356.8	340.0
Depreciation and amortization	380.3	359.0	284.4
Amortization of other intangibles	196.9	164.7	121.2
EBITDA⁽¹¹⁾	\$ 2,050.3	\$ 2,339.6	\$ 1,997.7
Credit Agreement Adjustments:			
Acquisition costs and other ⁽¹³⁾⁽¹⁴⁾	\$ 743.0	\$ 269.6	\$ 236.0
Employee share-based compensation	82.6	84.2	78.4
M&A accretion ⁽¹⁵⁾	552.4	222.2	26.3
Advisor share-based compensation	2.9	2.8	2.5
Loss on extinguishment of debt	4.0	4.0	—
Credit Agreement EBITDA⁽¹¹⁾	\$ 3,435.2	\$ 2,922.4	\$ 2,340.9

	September 30, 2025	June 30, 2025	September 30, 2024
Leverage Ratio	2.04	1.23	1.61

(†) 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 (loss) income plus the after-tax impact of amortization of other intangibles, acquisition costs, and certain regulatory charges, 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, acquisition costs and certain regulatory charges 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 (loss) income, (loss) earnings per diluted share or any other performance measure derived in accordance with GAAP. Below is a reconciliation of net (loss) income and (loss) 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 September 30,				Nine Months Ended September 30,			
	2025		2024		2025		2024	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
Net (loss) income / (loss) earnings per diluted share	\$ (29.5)	\$ (0.37)	\$ 255.3	\$ 3.39	\$ 562.3	\$ 7.15	\$ 787.9	\$ 10.45
Regulatory charge ⁽¹⁴⁾	—	—	18.0	0.24	—	—	18.0	0.24
Amortization of other intangibles	64.7	0.81	32.5	0.43	154.3	1.96	92.6	1.23
Acquisition costs ⁽¹⁶⁾	538.2	6.70	22.2	0.29	661.6	8.42	68.6	0.91
Tax benefit	(155.1)	(1.93)	(14.6)	(0.19)	(210.5)	(2.68)	(43.2)	(0.57)
Adjusted Net Income / Adjusted EPS^(†)	\$ 418.2	\$ 5.20	\$ 313.4	\$ 4.16	\$ 1,167.7	\$ 14.86	\$ 923.9	\$ 12.25
Weighted-average shares outstanding, diluted	80.4		75.4		78.6		75.4	

(†) 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Total revenue	\$ 4,552.0	\$ 3,108.4	\$ 12,057.0	\$ 8,872.8
Advisory and commission expense	3,025.3	1,948.1	7,862.4	5,500.6
Brokerage, clearing and exchange expense	43.3	29.6	130.7	93.2
Employee deferred compensation	4.1	2.6	7.7	5.3
Gross Profit^(†)	\$ 1,479.3	\$ 1,128.1	\$ 4,056.3	\$ 3,273.7

(†) Totals may not foot due to rounding.

- (10) EBITDA and adjusted EBITDA are non-GAAP financial measures. EBITDA is defined as net (loss) income plus interest expense on borrowings, (benefit from) provision for income taxes, depreciation and amortization, and amortization of other intangibles. Adjusted EBITDA is defined as EBITDA plus acquisition costs and certain regulatory charges. 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 (loss) income or any other performance measure derived in accordance with GAAP. Below is a reconciliation of net (loss) income to EBITDA and adjusted EBITDA for the periods presented (in millions):

EBITDA Reconciliation	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (29.5)	\$ 255.3	\$ 562.3	\$ 787.9
Interest expense on borrowings	106.3	67.8	297.8	192.2
(Benefit from) provision for income taxes	(4.6)	92.0	189.6	263.7
Depreciation and amortization	99.7	78.3	288.3	216.5
Amortization of other intangibles	64.7	32.5	154.3	92.6
EBITDA	\$ 236.6	\$ 525.9	\$ 1,492.4	\$ 1,552.9
Regulatory charge ⁽¹⁴⁾	—	18.0	—	18.0
Acquisition costs excluding interest ⁽¹⁶⁾	538.2	22.2	653.1	68.6
Adjusted EBITDA^(†)	\$ 774.8	\$ 566.2	\$ 2,145.5	\$ 1,639.6

(†) 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); employee share-based compensation; regulatory charges; and acquisition costs. 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Total expense	\$ 4,586.1	\$ 2,761.0	\$ 11,305.1	\$ 7,821.1
Advisory and commission	(3,025.3)	(1,948.1)	(7,862.4)	(5,500.6)
Depreciation and amortization	(99.7)	(78.3)	(288.3)	(216.5)
Interest expense on borrowings	(106.3)	(67.8)	(297.8)	(192.2)
Brokerage, clearing and exchange	(43.3)	(29.6)	(130.7)	(93.2)
Amortization of other intangibles	(64.7)	(32.5)	(154.3)	(92.6)
Employee deferred compensation	(4.1)	(2.6)	(7.7)	(5.3)
Total G&A^(†)	1,242.7	602.1	2,563.9	1,720.7
Promotional (ongoing) ⁽¹⁷⁾	(201.9)	(175.6)	(517.4)	(455.7)
Acquisition costs excluding interest ⁽¹⁶⁾	(538.2)	(22.2)	(653.1)	(68.6)
Employee share-based compensation	(18.6)	(20.3)	(66.5)	(62.9)
Regulatory charges ⁽¹⁴⁾	(6.7)	(24.9)	(20.9)	(39.9)
Core G&A^(†)	\$ 477.3	\$ 359.1	\$ 1,316.0	\$ 1,093.6

(†) Totals may not foot due to rounding.

- (12) See the "Liquidity and Capital Resources" section for additional information about Corporate Cash.
- (13) Acquisition costs and other for the twelve months ending September 30, 2025, June 30, 2025 and September 30, 2024 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 September 30, 2025 and June 30, 2025 include a \$26.4 million reduction related to the departure of the Company's former Chief Executive Officer. Acquisition costs and other for the twelve months ending June 30, 2025 and September 30, 2024 include an \$18.0 million regulatory charge recognized 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) The Company recorded an \$18.0 million regulatory charge for the three and nine months ended September 30, 2024 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.
- (15) 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 September 30, 2025 and June 30, 2025 as compared to the twelve months ending September 30, 2024 was primarily related to the impact of acquisitions.
- (16) 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Compensation and benefits ⁽¹⁸⁾	\$ 257.6	\$ 8.3	\$ 291.1	\$ 19.0
Occupancy and equipment ⁽¹⁸⁾	197.6	(1.0)	198.9	—
Promotional ⁽¹⁷⁾	25.7	2.0	69.4	4.8
Professional services	9.7	6.7	26.9	13.5
Change in fair value of contingent consideration	2.7	5.9	9.6	30.5
Interest	—	—	8.5	—
Other	45.0	0.3	57.3	0.8
Acquisition costs^(†)	\$ 538.2	\$ 22.2	\$ 661.6	\$ 68.6

(†) Totals may not foot due to rounding.

- (17) Promotional (ongoing) for the three and nine months ended September 30, 2025 includes \$19.0 million and \$55.0 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 \$13.0 million and \$33.2 million for the same periods in 2024. Promotional (ongoing) excludes costs that have been incurred as part of acquisitions, which are included in the Acquisition costs line item.
- (18) The Company incurred \$419.0 million of acquisition costs at the Commonwealth closing. This primarily includes \$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.

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. For example, in August 2024, the Company received a request for information from the SEC regarding certain elements of the Company's cash management program for corporate advisory accounts, which based on the nature of the request we believe is part of an industry-wide inquiry. The Company has been cooperating with the request. 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 as of September 30, 2025, 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 third quarter, reaching new heights, with the S&P 500 and Russell 2000 small cap index rising 8.12% and 12.4%, respectively during the third quarter of 2025.

Our business is also sensitive to current and expected short-term interest rates, which are largely driven by Federal Reserve ("Fed") policy. During the third quarter of 2025, Fed policymakers lowered the target federal funds rate to a range of 4.00% to 4.25%. 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 2024 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 nine months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	% Change ⁽¹⁾	2025	2024	% Change ⁽¹⁾
REVENUE						
Advisory	\$ 2,210,499	\$ 1,378,050	60%	\$ 5,617,482	\$ 3,866,024	45%
Commission:						
Sales-based	695,029	429,132	62%	1,924,859	1,237,437	56%
Trailing	492,426	377,400	30%	1,348,440	1,102,587	22%
Total commission	1,187,455	806,532	47%	3,273,299	2,340,024	40%
Asset-based:						
Client cash	428,190	353,855	21%	1,217,553	1,047,712	16%
Other asset-based	354,090	272,336	30%	962,315	780,208	23%
Total asset-based	782,280	626,191	25%	2,179,868	1,827,920	19%
Service and fee	174,715	145,729	20%	471,753	412,901	14%
Transaction	67,260	58,546	15%	195,665	174,739	12%
Interest income, net	60,859	49,923	22%	181,651	140,926	29%
Other	68,909	43,423	59%	137,291	110,222	25%
Total revenue	4,551,977	3,108,394	46%	12,057,009	8,872,756	36%
EXPENSE						
Advisory and commission	3,025,274	1,948,065	55%	7,862,364	5,500,579	43%
Compensation and benefits	585,409	266,415	120%	1,210,055	814,784	49%
Occupancy and equipment	299,680	69,879	n/m	458,363	205,672	123%
Promotional	208,547	164,538	27%	531,744	427,282	24%
Interest expense on borrowings	106,295	67,779	57%	297,793	192,202	55%
Depreciation and amortization	99,722	78,338	27%	288,309	216,495	33%
Professional services	75,507	26,295	187%	152,925	61,674	148%
Amortization of other intangibles	64,706	32,461	99%	154,330	92,620	67%
Brokerage, clearing and exchange	43,282	29,636	46%	130,710	93,152	40%
Communications and data processing	23,060	17,916	29%	63,983	57,066	12%
Other	54,606	59,724	(9%)	154,487	159,619	(3%)
Total expense	4,586,088	2,761,046	66%	11,305,063	7,821,145	45%
(LOSS) INCOME BEFORE (BENEFIT FROM) PROVISION FOR INCOME TAXES	(34,111)	347,348	n/m	751,946	1,051,611	(28%)
(BENEFIT FROM) PROVISION FOR INCOME TAXES	(4,594)	92,045	n/m	189,641	263,744	(28%)
NET (LOSS) INCOME	\$ (29,517)	\$ 255,303	n/m	\$ 562,305	\$ 787,867	(29%)

(1) % change variances greater than 200% are not meaningful.

Revenue

Advisory

Advisory revenue represents fees charged to advisors' clients' advisory accounts on our corporate registered investment advisor ("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 1.0% of the underlying assets for the nine months ended September 30, 2025.

We also support independent RIA firms that conduct their business through our separate registered investment advisor 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):

	September 30,		\$ Change	% Change
	2025	2024		
Corporate advisory assets	\$ 1,022.1	\$ 618.8	\$ 403.3	65%
Independent RIA advisory assets	324.8	273.2	51.6	19%
Total advisory assets	\$ 1,346.9	\$ 892.0	\$ 454.9	51%

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 September 30,		Nine Months Ended September 30,		
	2025	2024	2025	2024	
Balance - Beginning of period	\$ 1,060.7	\$ 829.1	\$ 957.0	\$ 735.8	
Net new advisory assets ⁽¹⁾	229.0	23.7	289.7	66.6	
Market impact ⁽²⁾	57.2	39.2	100.2	89.6	
Balance - End of period	\$ 1,346.9	\$ 892.0	\$ 1,346.9	\$ 892.0	

(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 nine months ended September 30, 2025 as compared to the same periods in 2024 due primarily to an increase in advisory asset balances and related market impacts.

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 September 30,				Nine Months Ended September 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Sales-based	\$ 695,029	\$ 429,132	\$ 265,897	62%	\$ 1,924,859	\$ 1,237,437	\$ 687,422	56%
Trailing	492,426	377,400	115,026	30%	1,348,440	1,102,587	245,853	22%
Total commission revenue	\$ 1,187,455	\$ 806,532	\$ 380,923	47%	\$ 3,273,299	\$ 2,340,024	\$ 933,275	40%

The increase in sales-based commission revenue for the three and nine months ended September 30, 2025 compared to 2024 was primarily driven by an increase in sales of annuities. The increase in trailing commission revenue for the three and nine months ended September 30, 2025 compared to 2024 was primarily due to continued growth in trail earning assets held by customers.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Balance - Beginning of period	\$ 858.5	\$ 668.7	\$ 783.7	\$ 618.2
Net new brokerage assets ⁽¹⁾	78.7	3.8	117.3	11.5
Market impact ⁽²⁾	30.5	27.6	66.7	70.4
Balance - End of period	\$ 967.7	\$ 700.1	\$ 967.7	\$ 700.1

(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 nine months ended September 30, 2025 increased by \$156.1 million and \$351.9 million, respectively, compared to the same periods in 2024, due to increases in client cash and other asset-based revenue. Other asset-based revenue for the three and nine months ended September 30, 2025 increased compared to 2024 primarily due to increases in recordkeeping and sponsorship program revenue. Client cash revenue for the three and nine months ended September 30, 2025 increased compared to 2024 due to higher

average client cash balances during the three and nine months ended September 30, 2025 as compared to 2024. For the three months ended September 30, 2025, our average client cash balances increased to \$50.3 billion compared to \$42.6 billion in 2024. For the nine months ended September 30, 2025, our average client cash balances increased to \$49.9 billion compared to \$43.3 billion in 2024.

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 nine months ended September 30, 2025 increased compared to 2024, primarily due to increases in custodian fees, trading, licensing, conference services and registration fees.

Interest Income, Net

Interest income is primarily generated from bank deposits, client margin loans, client cash account balances segregated under federal or other regulations and advisor repayable loans. Interest income, net for the three and nine months ended September 30, 2025 increased compared to 2024 primarily due to interest earned on overnight investment accounts driven by an increase in average daily balances.

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 nine months ended September 30, 2025 increased compared to 2024, 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 nine months ended September 30, 2025 as compared to 2024 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 September 30,			Nine Months Ended September 30,		
	2025	2024	Change	2025	2024	Change
Payout rate	87.47%	87.46%	1 bps	87.21%	87.16%	5 bps

Our payout rate for the three and nine months ended September 30, 2025 increased compared to 2024, primarily due to higher payouts resulting from our strategic relationship with Prudential Financial, Inc.

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:

	September 30,		Change
	2025	2024	
Number of employees	10,116	8,773	15%

Compensation and benefits expense for the three and nine months ended September 30, 2025 increased by \$319.0 million and \$395.3 million, respectively, compared to 2024, primarily due to acquisition related expenses incurred in conjunction with the Commonwealth transaction as well as an increase in headcount. See Note 4 - *Acquisitions*, within the notes to the condensed consolidated financial statements for additional information.

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 nine months ended September 30, 2025 increased by \$229.8 million and \$252.7 million, respectively, compared to 2024, primarily due to acquisition related expenses incurred in conjunction with the Commonwealth transaction. See Note 4 - *Acquisitions*, within the notes to the condensed consolidated financial statements for additional information.

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 nine months ended September 30, 2025 increased by \$44.0 million and \$104.5 million, respectively, compared to 2024, primarily due to increases in recruited assets and advisors that led to higher costs to support transition assistance and retention, partially offset by decreases in large institutional onboarding costs.

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 and nine months ended September 30, 2025 increased by \$38.5 million and \$105.6 million, respectively, compared to 2024, primarily as a result of the issuance of \$1.0 billion senior unsecured notes in May 2024, \$1.25 billion senior unsecured notes in February 2025 and \$1.5 billion senior unsecured notes in April 2025. See Note 9 - *Corporate Debt and Other Borrowings, Net*, within the notes to the condensed consolidated financial statements for additional information.

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 nine months ended September 30, 2025 increased by \$21.4 million and \$71.8 million, respectively, compared to 2024, primarily due to our continued investment in technology to support integrations, enhance our advisor platform and experience, and support onboarding of institutions.

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 nine months ended September 30, 2025 increased by \$49.2 million and \$91.3 million, respectively, compared to 2024, primarily due to technology enhancement projects and acquisition-related support.

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 nine months ended September 30, 2025 increased by \$32.2 million and \$61.7 million, respectively, compared to 2024, primarily due to additional intangible assets acquired during the period.

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 nine months ended September 30, 2025 increased by \$13.6 million and \$37.6 million, respectively, compared to 2024, primarily due to an increase in the volume of trades and expenses for quote services.

Provision for Income Taxes

Our effective income tax rate was 13.5% and 26.5% for the three months ended September 30, 2025 and 2024, respectively, and 25.2% and 25.1% for the nine months ended September 30, 2025 and 2024, 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 decrease in our effective tax rate for the three months ended September 30, 2025 was primarily driven by state tax reserves which reduced the tax benefit on the pre-tax book loss in the third quarter of 2025.

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, we have 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 acquisitions and other capital expenditures.

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 nine months ended September 30, 2025 and 2024, LPL Financial paid dividends of \$800.0 million and \$410.0 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"), CES, and Atria's introducing broker-dealer subsidiaries 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):

	September 30, 2025	December 31, 2024
Cash and equivalents	\$ 1,343,507	\$ 967,079
Cash at regulated subsidiaries	(1,270,366)	(884,779)
Excess cash at regulated subsidiaries per the Credit Agreement	495,253	397,138
Corporate Cash	\$ 568,394	\$ 479,438
Corporate Cash		
Cash at the Parent	12,187	39,782
Excess cash at regulated subsidiaries per the Credit Agreement	495,253	397,138
Cash at non-regulated subsidiaries	60,954	42,518
Corporate Cash	\$ 568,394	\$ 479,438

Corporate Cash is monitored as part of our liquidity risk management strategy, and we target maintaining approximately \$200 million of Corporate Cash to meet our near-term corporate debt obligations. Corporate Cash increased by \$89.0 million during the nine months ended September 30, 2025 primarily as a result of proceeds received from our \$1.25 billion debt issuance in February 2025 and our \$1.5 billion debt issuance and \$1.7 billion equity offering in April 2025 offset by payments related to the acquisition of Commonwealth. See Note 4 - *Acquisitions*, Note 9 - *Corporate Debt and Other Borrowings, Net*, and Note 11 - *Stockholders' Equity* within the notes to the condensed consolidated financial statements for additional information.

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 September 30, 2025, the earliest principal maturity date for our corporate debt with outstanding balances is in 2026 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. The Company repurchased 289,371 shares for a total of \$100.0 million during the nine months ended September 30, 2025, and as of September 30, 2025, had \$630.0 million remaining under our existing repurchase program. We paused share repurchases in anticipation of the Commonwealth acquisition. Given the closing of the transaction, we expect to evaluate resuming share repurchases, consistent with our existing capital management strategy. 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 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 September 30, 2025, 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 September 30, 2025 (in millions):

Description	Borrower	Maturity Date	Outstanding	Available
Senior unsecured, revolving credit facility	LPL Holdings, Inc.	May 2029	\$ 344	\$ 1,906
Broker-dealer revolving credit facility	LPL Financial LLC	May 2026	\$ —	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):

	September 30, 2025	
LPL Financial LLC		
Net capital	\$	478,787
Less: required net capital		26,405
Excess net capital	\$	452,382

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, Atria's seven introducing broker-dealer subsidiaries, 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 their operations. As of September 30, 2025, 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.	
	Nine Months Ended September 30,	
	2025	
Combined Summarized Statements of Income		
Revenues ⁽¹⁾	\$	157,797
Revenues from non-guarantor subsidiaries		12,185
Advisory and commission expense ⁽¹⁾		119,188
Interest expense on borrowings		294,796
Expenses from non-guarantor subsidiaries		17,100
Loss before provision for income taxes		(516,723)
Net loss		(386,214)

(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.			
	September 30, 2025		December 31, 2024	
Cash and equivalents	\$	12,187	\$	39,782
Other receivables, net		2,850		15,032
Property and equipment, net		170,864		161,845
Goodwill		1,251,908		1,251,908
Other intangibles, net		46,506		67,486
Receivables from non-guarantor subsidiaries		127,114		148,855
Other assets		1,524,341		1,333,061
Corporate debt and other borrowings, net		7,521,468		5,494,724
Accounts payable and accrued liabilities		112,827		66,818
Payables to non-guarantor subsidiaries		82,031		101,400
Other liabilities		1,484,332		1,247,792

Debt and Related Covenants

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

- incur additional indebtedness or issue disqualified stock or preferred stock;
- declare dividends, or other distributions to stockholders;
- repurchase equity interests;
- redeem indebtedness that is subordinated in right of payment to certain debt instruments;
- make investments or acquisitions;
- create liens;
- sell assets;
- guarantee indebtedness;
- engage in certain transactions with affiliates;
- enter into agreements that restrict dividends or other payments from subsidiaries; and
- consolidate, merge or transfer all or substantially all of our assets.

Our Credit Agreement allows us to pay dividends and distributions or repurchase our common stock only when certain conditions are met. 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 September 30, 2025, 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	September 30, 2025	
	Covenant Requirement	Actual Ratio
Leverage Ratio (Maximum)	4.0	2.04
Interest Coverage (Minimum)	3.0	9.59

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 nine months ended September 30, 2025, there were no material changes in our contractual obligations, other than in the ordinary course of business, from those disclosed in our 2024 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 2024 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 2024 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 2024 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 2024 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 2024 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 2024 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 2024 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
REVENUE				
Advisory	\$ 2,210,499	\$ 1,378,050	\$ 5,617,482	\$ 3,866,024
Commission:				
Sales-based	695,029	429,132	1,924,859	1,237,437
Trailing	492,426	377,400	1,348,440	1,102,587
Total commission	1,187,455	806,532	3,273,299	2,340,024
Asset-based:				
Client cash	428,190	353,855	1,217,553	1,047,712
Other asset-based	354,090	272,336	962,315	780,208
Total asset-based	782,280	626,191	2,179,868	1,827,920
Service and fee	174,715	145,729	471,753	412,901
Transaction	67,260	58,546	195,665	174,739
Interest income, net	60,859	49,923	181,651	140,926
Other	68,909	43,423	137,291	110,222
Total revenue	4,551,977	3,108,394	12,057,009	8,872,756
EXPENSE				
Advisory and commission	3,025,274	1,948,065	7,862,364	5,500,579
Compensation and benefits	585,409	266,415	1,210,055	814,784
Occupancy and equipment	299,680	69,879	458,363	205,672
Promotional	208,547	164,538	531,744	427,282
Interest expense on borrowings	106,295	67,779	297,793	192,202
Depreciation and amortization	99,722	78,338	288,309	216,495
Professional services	75,507	26,295	152,925	61,674
Amortization of other intangibles	64,706	32,461	154,330	92,620
Brokerage, clearing and exchange	43,282	29,636	130,710	93,152
Communications and data processing	23,060	17,916	63,983	57,066
Other	54,606	59,724	154,487	159,619
Total expense	4,586,088	2,761,046	11,305,063	7,821,145
(LOSS) INCOME BEFORE (BENEFIT FROM) PROVISION FOR INCOME TAXES	(34,111)	347,348	751,946	1,051,611
(BENEFIT FROM) PROVISION FOR INCOME TAXES	(4,594)	92,045	189,641	263,744
NET (LOSS) INCOME	\$ (29,517)	\$ 255,303	\$ 562,305	\$ 787,867
(LOSS) EARNINGS PER SHARE				
(Loss) earnings per share, basic	\$ (0.37)	\$ 3.41	\$ 7.19	\$ 10.55
(Loss) earnings per share, diluted	\$ (0.37)	\$ 3.39	\$ 7.15	\$ 10.45
Weighted-average shares outstanding, basic	80,017	74,776	78,220	74,688
Weighted-average shares outstanding, diluted	80,357	75,405	78,594	75,424

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	September 30, 2025	December 31, 2024
Cash and equivalents	\$ 1,343,507	\$ 967,079
Cash and equivalents segregated under federal or other regulations	1,249,000	1,597,249
Restricted cash	228,229	119,724
Receivables from clients, net	777,860	633,834
Receivables from brokers, dealers and clearing organizations	81,265	76,545
Advisor loans, net	3,645,122	2,281,088
Other receivables, net	1,072,166	902,777
Investment securities	215,221	57,481
Property and equipment, net	1,338,504	1,210,027
Goodwill	2,674,864	2,172,873
Other intangibles, net	3,302,834	1,482,988
Other assets	2,103,642	1,815,739
Total assets	\$ 18,032,214	\$ 13,317,404
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Client payables	\$ 1,996,568	\$ 1,898,665
Payables to brokers, dealers and clearing organizations	195,728	129,228
Accrued advisory and commission expenses payable	355,464	323,996
Corporate debt and other borrowings, net	7,521,468	5,494,724
Accounts payable and accrued liabilities	768,248	588,450
Other liabilities	2,151,800	1,951,739
Total liabilities	12,989,276	10,386,802
Commitments and contingencies (Note 10)		
Common stock, \$0.001 par value; 600,000,000 shares authorized; 136,628,300 and 130,914,541 shares issued at September 30, 2025 and December 31, 2024, respectively	136	131
Additional paid-in capital	3,806,506	2,066,268
Treasury stock, at cost — 56,590,828 and 56,253,909 shares at September 30, 2025 and December 31, 2024, respectively	(4,333,444)	(4,202,322)
Retained earnings	5,569,740	5,066,525
Total stockholders' equity	5,042,938	2,930,602
Total liabilities and stockholders' equity	\$ 18,032,214	\$ 13,317,404

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 September 30, 2024

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — June 30, 2024	130,747	\$ 131	\$ 2,038,216	55,985	\$ (4,101,955)	\$ 4,578,955	2,515,347
Net income	—	—	—	—	—	255,303	255,303
Issuance of common stock to settle restricted stock units	32	—	—	5	(1,135)	—	(1,135)
Treasury stock purchases	—	—	—	—	—	—	—
Cash dividends on common stock - \$0.30 per share	—	—	—	—	—	(22,435)	(22,435)
Stock option exercises and other	—	—	21	(21)	771	2,909	3,701
Share-based compensation	—	—	20,970	—	—	—	20,970
BALANCE — September 30, 2024	130,779	\$ 131	\$ 2,059,207	55,969	\$ (4,102,319)	\$ 4,814,732	2,771,751

Three Months Ended September 30, 2025

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — June 30, 2025	136,603	\$ 136	\$ 3,787,009	56,599	\$ (4,332,275)	\$ 5,619,546	5,074,416
Net loss	—	—	—	—	—	(29,517)	(29,517)
Issuance of common stock to settle restricted stock units	23	—	—	5	(1,647)	—	(1,647)
Treasury stock purchases	—	—	—	—	—	—	—
Cash dividends on common stock - \$0.30 per share	—	—	—	—	—	(24,005)	(24,005)
Stock option exercises and other	2	—	88	(13)	478	3,716	4,282
Share-based compensation	—	—	19,409	—	—	—	19,409
BALANCE — September 30, 2025	136,628	\$ 136	\$ 3,806,506	56,591	\$ (4,333,444)	\$ 5,569,740	5,042,938

Nine Months Ended September 30, 2024

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — December 31, 2023	130,233	\$ 130	\$ 1,987,684	55,577	\$ (3,993,949)	\$ 4,085,114	2,078,979
Net income	—	—	—	—	—	787,867	787,867
Issuance of common stock to settle restricted stock units	400	—	—	155	(40,453)	—	(40,453)
Treasury stock purchases	—	—	—	296	(70,005)	—	(70,005)
Cash dividends on common stock - \$0.90 per share	—	—	—	—	—	(67,268)	(67,268)
Stock option exercises and other	146	1	6,569	(59)	2,088	9,019	17,677
Share-based compensation	—	—	64,954	—	—	—	64,954
BALANCE — September 30, 2024	130,779	\$ 131	\$ 2,059,207	55,969	\$ (4,102,319)	\$ 4,814,732	2,771,751

Nine Months Ended September 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	—	—	—	—	—	562,305	562,305
Issuance of common stock to settle restricted stock units	260	—	—	91	(32,648)	—	(32,648)
Treasury stock purchases	—	—	—	289	(100,004)	—	(100,004)
Cash dividends on common stock - \$0.90 per share	—	—	—	—	—	(70,395)	(70,395)
Stock option exercises and other	62	—	4,043	(43)	1,530	11,305	16,878
Share-based compensation	—	—	58,979	—	—	—	58,979
Equity issuance	5,391	5	1,677,216	—	—	—	1,677,221
BALANCE — September 30, 2025	136,628	\$ 136	\$ 3,806,506	56,591	\$ (4,333,444)	\$ 5,569,740	5,042,938

See notes to unaudited condensed consolidated financial statements.

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

	Nine Months Ended September 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 562,305	\$ 787,867
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	288,309	216,495
Amortization of other intangibles	154,330	92,620
Amortization of debt issuance costs	18,096	8,489
Share-based compensation	58,979	64,954
Provision for credit losses	8,951	13,490
Deferred benefit for income taxes	(349)	38
Change in estimated fair value of contingent consideration	9,579	30,472
Loan forgiveness	295,429	208,886
Other	5,218	7,788
Changes in operating assets and liabilities:		
Receivables from clients, net	(144,383)	(32,916)
Receivables from brokers, dealers and clearing organizations	(2,881)	(3,694)
Advisor loans, net	(1,565,992)	(649,310)
Other receivables, net	(136,921)	(66,162)
Investment securities - trading	(111,473)	(17,579)
Other assets	(238,013)	(203,098)
Client payables	97,378	(227,036)
Payables to brokers, dealers and clearing organizations	66,500	47,717
Accrued advisory and commission expenses payable	17,028	36,340
Accounts payable and accrued liabilities	110,802	(26,207)
Other liabilities	(688,300)	169,061
Operating leases	(1,007)	(1,848)
Net cash (used in) provided by operating activities	(1,196,415)	456,367
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(398,695)	(397,008)
Acquisitions, net of cash acquired	(1,730,077)	(159,410)
Purchases of securities classified as held-to-maturity	(3,753)	(4,769)
Proceeds from maturities of securities classified as held-to-maturity	3,850	3,750
Capitalized interest	(4,509)	—
Net cash used in investing activities	(2,133,184)	(557,437)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facilities	613,000	280,000
Repayments of revolving credit facilities	(1,316,000)	(560,000)
Repayment of senior secured term loans	—	(8,025)

Continued on following page

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

	Nine Months Ended September 30,	
	2025	2024
Proceeds from senior unsecured notes	2,744,930	998,325
Payment of debt issuance costs	(31,036)	(17,332)
Payment of contingent consideration	(34,895)	(50,063)
Tax payments related to settlement of restricted stock units	(32,648)	(40,453)
Proceeds from issuance of common stock	1,725,000	—
Payment of equity issuance costs	(47,779)	—
Repurchase of common stock	(100,004)	(70,005)
Dividends on common stock	(70,395)	(67,268)
Proceeds from stock option exercises and other	16,878	17,677
Principal payment of financing obligation	(559)	—
Principal payment of finance leases and obligations	(209)	(247)
Net cash provided by financing activities	3,466,283	482,609
NET INCREASE IN CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH	136,684	381,539
CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH — Beginning of period	2,684,052	2,581,163
CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH — End of period	\$ 2,820,736	\$ 2,962,702
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	\$ 238,347	\$ 161,658
Income taxes paid	\$ 314,204	\$ 301,505
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 31,175	\$ 22,850
Cash paid for amounts included in the measurement of finance lease liabilities	\$ 209	\$ 6,526
NONCASH DISCLOSURES:		
Capital expenditures included in accounts payable and accrued liabilities	\$ 42,059	\$ 49,443
Lease assets obtained in exchange for operating lease liabilities	\$ 34,955	\$ 25,963
Prefunded acquisition	\$ 70,202	\$ —
Contingent consideration and other liabilities recognized at acquisition date	\$ 86,821	\$ 42,978
September 30,		
	2025	2024
Cash and equivalents	\$ 1,343,507	\$ 1,474,954
Cash and equivalents segregated under federal or other regulations	1,249,000	1,382,867
Restricted cash	228,229	104,881
Total cash and equivalents, cash and equivalents segregated under federal or other regulations and restricted cash shown in the statements of cash flows	\$ 2,820,736	\$ 2,962,702

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; and Austin, Texas, is a clearing broker-dealer and an investment advisor 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 advisor that supports a portion of the Company's institutional business, 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.
- Atria Wealth Solutions, Inc. ("Atria") is a holding company for the registered broker-dealers and investment advisors that the Company acquired in connection with the acquisition of Atria. Atria has seven introducing broker-dealer subsidiaries, which clear transactions through third-party clearing and carrying firms. The Company completed the conversion of assets from these acquired broker-dealers and investment advisors to the Company's platform and expects to complete the withdrawal of the related registrations of these entities in the coming months.
- AW Subsidiary, Inc. is a holding company for AdvisoryWorld and Blaze Portfolio Systems LLC ("Blaze"). AdvisoryWorld offers technology products, including proposal generation, investment analytics and portfolio modeling, to both the Company's advisors and external clients in the wealth management industry. Blaze 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, along with their affiliate Financial Resources Group Investment Services, LLC, provide primary support for the Company's employee advisor affiliation model.
- CFN Holding Company, LLC ("Commonwealth") is a holding company for Commonwealth Equity Services, LLC ("CES"), which is a registered broker-dealer and investment advisor that does business as Commonwealth Financial Network. 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.

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, 2024, 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 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.

Recently Adopted Accounting Pronouncements

There were no new accounting pronouncements adopted during the nine months ended September 30, 2025 that materially impacted the Company's condensed consolidated financial statements and related disclosures.

On July 4, 2025, the One Big Beautiful Bill Act (the "Act") was enacted into law. The Act includes several changes to the corporate income tax system, including accelerated tax deductions for qualified property and U.S. based research expenditures, and modifications to computations of the business interest expense limitation. The Act is not anticipated to meaningfully impact our effective tax rate for 2025; however, the Act will reduce our cash tax payments made during 2025. We are currently evaluating whether the entire cash flow benefit will be realized during 2025 or realized through 2026 due to the application of the corporate alternative minimum tax rules.

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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Commission revenue				
Annuities	\$ 713,900	\$ 481,852	\$ 1,959,259	\$ 1,387,425
Mutual funds	258,167	193,451	715,378	567,423
Fixed income	66,550	55,707	181,116	157,540
Equities	51,475	36,786	148,360	106,671
Other	97,363	38,736	269,186	120,965
Total commission revenue	\$ 1,187,455	\$ 806,532	\$ 3,273,299	\$ 2,340,024

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Commission revenue				
Sales-based				
Annuities	\$ 438,927	\$ 265,955	\$ 1,198,350	\$ 755,220
Fixed income	66,550	55,707	181,116	157,540
Mutual funds	54,235	42,310	162,142	128,787
Equities	51,475	36,786	148,360	106,671
Other	83,842	28,374	234,891	89,219
Total sales-based revenue	\$ 695,029	\$ 429,132	\$ 1,924,859	\$ 1,237,437
Trailing				
Annuities	\$ 274,973	\$ 215,897	\$ 760,909	\$ 632,205
Mutual funds	203,932	151,141	553,236	438,636
Other	13,521	10,362	34,295	31,746
Total trailing revenue	\$ 492,426	\$ 377,400	\$ 1,348,440	\$ 1,102,587
Total commission revenue	\$ 1,187,455	\$ 806,532	\$ 3,273,299	\$ 2,340,024

Asset-Based

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Asset-based revenue				
Client cash	\$ 428,190	\$ 353,855	\$ 1,217,553	\$ 1,047,712
Sponsorship programs	209,141	148,978	551,393	424,766
Recordkeeping	144,949	123,358	410,922	355,442
Total asset-based revenue	\$ 782,280	\$ 626,191	\$ 2,179,868	\$ 1,827,920

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 September 30,		Nine Months Ended September 30,		
	2025	2024	2025	2024	
Service and fee revenue					
Over time ⁽¹⁾	\$	120,159 \$	107,603 \$	342,918 \$	315,682
Point-in-time ⁽²⁾		54,556	38,126	128,835	97,219
Total service and fee revenue	\$	174,715 \$	145,729 \$	471,753 \$	412,901

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

(2) Service and fee revenue recognized at a point-in-time includes revenue such as IRA termination fees, registration fees, and account 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 \$207.6 million as of December 31, 2024 to \$265.5 million as of September 30, 2025. The increase in unearned revenue for the nine months ended September 30, 2025 is primarily driven by cash payments received or due in advance of satisfying the Company's performance obligations, partially offset by \$207.4 million of revenue recognized during the nine months ended September 30, 2025 that was included in the unearned revenue balance as of December 31, 2024.

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.

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

NOTE 4 - ACQUISITIONS

During the nine months ended September 30, 2025, the Company completed 27 acquisitions, six of which have been accounted for as business combinations and 21 of which have been 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 Commonwealth, a privately-held independent wealth management firm headquartered in Massachusetts, in order to leverage our scale and enhance our 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 condensed consolidated statements of income from August 1, 2025 through September 30, 2025 and condensed consolidated statements of financial condition as of September 30, 2025. The Company accounted for the acquisition 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.

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	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		105,627
Property and equipment, net		7,769
Intangible assets		1,671,000
Other assets		60,278
Total identifiable assets acquired	\$	2,375,361
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		47,218
Total liabilities assumed	\$	811,020
Net assets acquired		1,564,341
Goodwill	\$	453,444

The goodwill primarily includes synergies expected to result from combining operations and is deductible for tax purposes. Other intangible assets comprised \$1.65 billion of advisor relationships, which were assigned useful lives of 17 years, and \$21.0 million of trade name intangible, which was assigned a useful life of 21 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. Given the recent date of closing, the purchase accounting analysis is ongoing and may result in changes to the value of assets acquired and liabilities recorded, including other intangible assets.

The Company's condensed consolidated statements of income for the three and nine months ended September 30, 2025 include total revenues attributable to Commonwealth of \$474.5 million and a net loss of \$228.2 million attributable to Commonwealth that was driven primarily by the acquisition related costs that were recognized at the closing.

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

Acquisition related costs incurred as part of the Commonwealth acquisition during the three and nine months ended September 30, 2025 were \$466.6 million and \$474.3 million, respectively. These costs include post-combination expense of \$419.0 million, which primarily comprised amounts related to transaction bonuses, equity award acceleration, and amounts related to certain contract termination fees, which were classified as Compensation and benefits expense and Occupancy and equipment expense, respectively, in the Company's condensed consolidated statements of income. Acquisition related costs also included \$47.6 million and \$55.3 million for the three and nine months ended September 30, 2025, respectively, of costs incurred prior to the closing, which were primarily related to professional services classified as Professional services expense in the Company's condensed consolidated statements of income.

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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Total revenue	\$ 4,806,987	\$ 3,787,502	\$ 13,702,158	\$ 10,842,497
Net income	\$ 291,366	\$ 257,433	\$ 929,424	\$ 364,719

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* within the notes to the condensed consolidated financial statements for additional information.

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

In March 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 Atria acquisition, and the cash consideration was prefunded in 2024 in conjunction with the close of the Atria acquisition. The Company has 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 three and nine months ended September 30, 2025, were \$1.1 million and \$5.9 million, respectively, primarily related to professional services which were classified as professional services and promotional expenses in the Company's condensed consolidated statements of income. The Company recorded purchase accounting adjustments during the nine months ended September 30, 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 September 30, 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 other acquisitions under the acquisition method of accounting for business combinations. 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 growth is achieved in the years

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

following the closing. This contingent consideration may be settled for amounts up to \$46.9 million in the years following the closing. At September 30, 2025, purchase accounting analysis is still on-going and may result in changes to the value of intangibles assets and liabilities recorded. The Company had provisionally allocated \$63.3 million of the consideration to client relationships, which were assigned useful lives of 14 years to 15 years, and \$11.6 million to goodwill.

Asset Acquisitions

The Company accounted for 21 other acquisitions as asset acquisitions. These transactions included total initial consideration of \$174.6 million, including \$169.1 million which was allocated to client relationships and \$5.5 million which was allocated to advisor relationships. These relationships were assigned useful lives of 14 years to 15 years, respectively, and the related transactions include potential contingent payments of up to \$130.8 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 be uncertain until a future measurement date. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

Acquisitions Completed in Prior Periods

During the twelve months ended December 31, 2024, the Company completed 24 acquisitions, certain of which have been accounted for as business combinations and certain of which have been accounted for as asset acquisitions.

Business Combinations**Acquisition of Atria Wealth Solutions, Inc.**

On October 1, 2024, the Company acquired 100% of the outstanding common shares of Atria, a wealth management solutions holding company headquartered in New York, in order to expand its addressable markets and complement organic growth. As part of the acquisition, the Company acquired Atria's seven introducing broker-dealer subsidiaries and completed the conversion of the related brokerage and advisory assets to the Company's platform in July 2025. The Company accounted for the acquisition under the acquisition method of accounting for business combinations.

During the nine months ended September 30, 2025, the Company recorded purchase accounting adjustments that resulted in a \$15.4 million decrease in total consideration, a \$13.5 million decrease in advisor relationships, a \$6.3 million decrease in institutional relationships, a \$4.8 million decrease in other receivables, a \$5.2 million increase in other assets, a \$1.3 million decrease in deferred tax liabilities, and a \$6.2 million increase in accounts payable and accrued liabilities. These cumulative adjustments resulted in an \$8.9 million increase to goodwill.

The following table summarizes the total consideration for the transaction at October 1, 2024 (dollars in thousands):

Consideration	October 1, 2024	
Cash	\$	853,429
Fair value of contingent consideration		19,545
Total consideration	\$	872,974

The contingent consideration, which may be settled for amounts up to \$330 million, represents the estimated fair value of the additional cash consideration that may be paid to the sellers if certain asset conversion, retention and other milestones are achieved in the year following the closing. The Company determined the fair value for each of its contingent consideration obligations using probability weighted or Monte-Carlo simulation models. These methods use significant unobservable inputs, including forecasted conversion rates and discount rates which are based on the cost of debt and equity. See Note 5 - *Fair Value Measurements* for additional information.

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

The following table summarizes the Company's purchase price allocation at October 1, 2024 (dollars in thousands):

Purchase Price Allocation	October 1, 2024	
Fair value of consideration transferred	\$	872,974
Assets		
Cash and equivalents	\$	76,259
Restricted cash		15,866
Receivables from brokers, dealers and clearing organizations		13,734
Other receivables		37,163
Other intangibles		620,100
Other assets		30,482
Total identifiable assets acquired	\$	793,604
Liabilities		
Accrued advisory and commission expenses payable		32,756
Accounts payable and accrued liabilities		58,691
Deferred tax liabilities		110,643
Other liabilities		26,409
Total liabilities assumed	\$	228,499
Net assets acquired		565,105
Goodwill	\$	307,869

The goodwill primarily includes synergies expected to result from combining operations. Other intangible assets comprised \$195.4 million of institutional relationships and \$424.7 million of advisor relationships which were each assigned useful lives of 16 years. These intangible assets were valued using the income approach and are included in the Advisor and institution relationships line item in *Note 7 - Goodwill and Other Intangibles, Net*. The fair value determination of institutional and advisor relationships required the Company to make significant estimates and assumptions related to future net cash flows and discount rates.

Acquisition related costs incurred as part of the Atria acquisition during the three and nine months ended September 30, 2025, were \$19.7 million and \$63.8 million, respectively, primarily related to professional services and conversion costs, which were classified as professional services and promotional expenses, respectively, in the Company's condensed consolidated statements of income. Atria's results were included in the Company's condensed consolidated statements of income during the three and nine months ended September 30, 2025. For this period, total revenues attributable to Atria were approximately \$185.4 million and \$556.3 million, respectively, and net income was not material.

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 Atria had occurred on January 1, 2024 (dollars in thousands):

LPL Financial and Atria Pro Forma Combined Financial Information (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024		2024	
Total revenue	\$	3,311,379	\$	9,486,591
Net income	\$	223,995	\$	709,001

The unaudited pro forma results above were prepared by combining the historical financial information of the Company and Atria 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 and institutions that have converted to the Company's platform in 2025, and the related interest impact 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.

Other Business Combinations

The Company accounted for seven acquisitions under the acquisition method of accounting for business combinations during the year ended December 31, 2024. Total consideration for these transactions was \$113.2 million, which included \$64.4 million of cash, and liabilities of \$48.8 million for contingent consideration. At December 31, 2024, the Company allocated \$34.3 million of the purchase price to goodwill and \$78.9 million to client relationships acquired as part of these acquisitions, which included a provisional allocation of \$3.8 million to goodwill and \$11.3 million to client relationships for acquisitions completed in the fourth quarter for which purchase accounting was finalized in 2025. The goodwill primarily includes synergies expected to result from combining operations and is deductible for tax purposes. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

Asset Acquisitions

The Company accounted for 16 other acquisitions as asset acquisitions during the year ended December 31, 2024. These transactions included total initial consideration of \$178.3 million, including \$48.5 million which was allocated to advisor relationships and \$129.8 million which was allocated to client relationships. These transactions include potential contingent payments of up to \$97.2 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 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.

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There have been no transfers of assets or liabilities between these fair value measurement classifications during the nine months ended September 30, 2025 or 2024.

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 September 30, 2025 and December 31, 2024, 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 September 30, 2025 and December 31, 2024, 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 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 September 30, 2025 and December 31, 2024, 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.

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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						
September 30, 2025	Type	Valuation Techniques	Unobservable Inputs	Range		
\$ 121,011	Contingent Consideration	Monte-Carlo Simulation Model	Forecasted Growth Rates	3.0 %	-	26.0 %
			Discount Rate	12.0 %	-	15.8 %
			Equivalency Rate ⁽¹⁾	5.6 %	-	6.1 %
7,844	Contingent Consideration	Probability Weighted Expected Return Method	Equivalency Rate ⁽¹⁾	5.3 %	-	5.3 %
			Conversion Rate	— %	-	100.0 %
<u>\$ 128,855</u>						

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

Quantitative Information About Level 3 Fair Value Measurements						
December 31, 2024	Type	Valuation Techniques	Unobservable Inputs	Range		
\$ 170,343	Contingent Consideration	Monte-Carlo Simulation Model	Forecasted Growth Rates	2.0 %	-	29.5 %
			Discount Rate	10.5 %	-	18.0 %
			Equivalency Rate ⁽¹⁾	4.9 %	-	5.8 %
26,555	Contingent Consideration	Probability Weighted Expected Return Method	Equivalency Rate ⁽¹⁾	5.7 %	-	5.7 %
			Conversion Rate	— %	-	100.0 %
<u>\$ 196,898</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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Balance - Beginning of period	\$ 124,849	\$ 129,848	\$ 196,898	\$ 118,844
Additions and purchase accounting adjustments	5,652	2,598	(3,593)	42,978
Payments	(4,322)	(1,500)	(74,029)	(55,500)
Fair value adjustments	2,676	5,848	9,579	30,472
Balance - End of period	<u>\$ 128,855</u>	<u>\$ 136,794</u>	<u>\$ 128,855</u>	<u>\$ 136,794</u>

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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):

September 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 80,682	\$ —	\$ —	80,682
Cash equivalents segregated under federal or other regulations	597,601	—	—	597,601
Restricted cash	127,264	—	—	127,264
Investment securities — trading:				
U.S. treasury obligations	139,622	—	—	139,622
Mutual funds	57,556	—	—	57,556
Money market funds	5	—	—	5
Equity securities	2,441	—	—	2,441
Debt securities	—	320	—	320
Total investment securities — trading	199,624	320	—	199,944
Other assets:				
Deferred compensation plan	1,045,529	—	—	1,045,529
Fractional shares — investment ⁽¹⁾	348,164	—	—	348,164
Other investments	—	2,478	—	2,478
Total other assets:	1,393,693	2,478	—	1,396,171
Total assets at fair value	\$ 2,398,864	\$ 2,798	\$ —	2,401,662
Liabilities				
Other liabilities:				
Securities sold, but not yet purchased:				
Equity securities	\$ 272	\$ —	\$ —	272
Total securities sold, but not yet purchased	272	—	—	272
Fractional shares — repurchase obligation ⁽¹⁾	348,164	—	—	348,164
Contingent consideration	—	—	128,855	128,855
Total other liabilities	348,436	—	128,855	477,291
Total liabilities at fair value	\$ 348,436	\$ —	\$ 128,855	477,291

(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, 2024	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 53,672	\$ —	\$ —	53,672
Cash equivalents segregated under federal or other regulations	672,164	—	—	672,164
Restricted cash	100,368	—	—	100,368
Investment securities — trading:				
Mutual funds	13,627	—	—	13,627
U.S. treasury obligations	28,511	—	—	28,511
Money market funds	110	—	—	110
Equity securities	8	—	—	8
Debt securities	—	11	—	11
Total investment securities — trading	42,256	11	—	42,267
Other assets:				
Deferred compensation plan	856,843	—	—	856,843
Fractional shares — investment ⁽¹⁾	278,683	—	—	278,683
Other investments	—	3,989	—	3,989
Total other assets	1,135,526	3,989	—	1,139,515
Total assets at fair value	\$ 2,003,986	\$ 4,000	\$ —	2,007,986
Liabilities				
Other liabilities:				
Securities sold, but not yet purchased:				
Equity securities	\$ 151	\$ —	\$ —	151
Debt Securities	—	18	—	18
Total securities sold, but not yet purchased	151	18	—	169
Fractional shares — repurchase obligation ⁽¹⁾	278,683	—	—	278,683
Contingent consideration	—	—	196,898	196,898
Total other liabilities	278,834	18	196,898	475,750
Total liabilities at fair value	\$ 278,834	\$ 18	\$ 196,898	475,750

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

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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):

September 30, 2025	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets					
Cash	\$ 1,262,825	\$ 1,262,825	\$ —	\$ —	1,262,825
Cash segregated under federal or other regulations	651,399	651,399	—	—	651,399
Restricted cash	100,965	100,965	—	—	100,965
Receivables from clients, net	777,860	—	777,860	—	777,860
Receivables from brokers, dealers and clearing organizations	81,265	—	81,265	—	81,265
Advisor repayable loans, net ⁽¹⁾	449,119	—	—	381,053	381,053
Other receivables, net	1,072,166	—	1,072,166	—	1,072,166
Investment securities — held-to-maturity securities	15,277	—	15,362	—	15,362
Other assets:					
Securities borrowed	3,175	—	3,175	—	3,175
Deferred compensation plan ⁽²⁾	10,462	10,462	—	—	10,462
Other investments ⁽³⁾	7,857	—	7,857	—	7,857
Total other assets	21,494	10,462	11,032	—	21,494
Liabilities					
Client payables	\$ 1,996,568	\$ —	\$ 1,996,568	\$ —	1,996,568
Payables to brokers, dealers and clearing organizations	195,728	—	195,728	—	195,728
Corporate debt and other borrowings, net	7,521,468	—	7,667,344	—	7,667,344
December 31, 2024					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets					
Cash	\$ 913,407	\$ 913,407	\$ —	\$ —	913,407
Cash segregated under federal or other regulations	925,085	925,085	—	—	925,085
Restricted cash	19,356	19,356	—	—	19,356
Receivables from clients, net	633,834	—	633,834	—	633,834
Receivables from brokers, dealers and clearing organizations	76,545	—	76,545	—	76,545
Advisor repayable loans, net ⁽¹⁾	360,760	—	—	281,146	281,146
Other receivables, net	902,777	—	902,777	—	902,777
Investment securities - held-to-maturity securities	15,214	—	15,190	—	15,190
Other assets:					
Deferred compensation plan ⁽²⁾	8,742	8,742	—	—	8,742
Securities borrowed	4,811	—	4,811	—	4,811
Other investments ⁽³⁾	7,706	—	7,706	—	7,706
Total other assets	21,259	8,742	12,517	—	21,259
Liabilities					
Client payables	\$ 1,898,665	\$ —	\$ 1,898,665	\$ —	1,898,665
Payables to brokers, dealers and clearing organizations	129,228	—	129,228	—	129,228
Corporate debt and other borrowings, net	5,494,724	—	5,480,389	—	5,480,389

(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.

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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. These securities 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):

	September 30, 2025	December 31, 2024
Trading securities — at fair value:		
U.S. treasury obligations	\$ 139,622	\$ 28,511
Mutual funds	57,556	13,627
Money market funds	5	110
Equity securities	2,441	8
Debt securities	320	11
Total trading securities	<u>\$ 199,944</u>	<u>\$ 42,267</u>
Held-to-maturity securities — at amortized cost:		
U.S. government notes	\$ 15,277	\$ 15,214
Total held-to-maturity securities	<u>\$ 15,277</u>	<u>\$ 15,214</u>
Total investment securities	<u>\$ 215,221</u>	<u>\$ 57,481</u>

At September 30, 2025, 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	\$ 5,452	\$ 9,825	\$ —	\$ —	\$ 15,277
U.S. government notes — at fair value	<u>\$ 5,443</u>	<u>\$ 9,919</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 15,362</u>

NOTE 7 - GOODWILL AND OTHER INTANGIBLES, NET

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

Balance at December 31, 2023	\$ 1,856,648
Purchase accounting adjustments	(16,980)
Goodwill acquired	333,205
Balance at December 31, 2024	<u>2,172,873</u>
Purchase accounting adjustments	4,106
Goodwill acquired	497,885
Balance at September 30, 2025	<u>\$ 2,674,864</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.

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The components of other intangibles, net were as follows at September 30, 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	15.6	\$ 3,307,078	\$ (797,967)	\$ 2,509,111
Client relationships	12.5	848,301	(125,728)	722,573
Trade name	20.8	21,000	(167)	20,833
Product sponsor relationships	0.8	234,086	(229,575)	4,511
Technology	3.3	20,930	(14,943)	5,987
Total definite-lived intangible assets, net		\$ 4,431,395	\$ (1,168,380)	\$ 3,263,015
Other indefinite-lived intangibles:				
Trademark and trade name				39,819
Total other intangibles, net				\$ 3,302,834

(1) During the nine months ended September 30, 2025, the Company completed various acquisitions. See Note 4 - *Acquisitions*, for additional information.

The components of other intangibles, net were as follows at December 31, 2024 (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	13.4	\$ 1,626,281	\$ (699,385)	\$ 926,896
Client relationships	12.7	581,519	(86,292)	495,227
Product sponsor relationships	1.3	234,086	(220,880)	13,206
Technology	7.6	20,930	(13,090)	7,840
Total definite-lived intangibles, net		\$ 2,462,816	\$ (1,019,647)	\$ 1,443,169
Other indefinite-lived intangibles:				
Trademark and trade name				39,819
Total other intangibles, net				\$ 1,482,988

(1) During the year ended December 31, 2024, the Company completed various acquisitions. See Note 4 - *Acquisitions*, for additional information.

Total amortization of other intangibles was \$64.7 million and \$32.5 million for the three months ended September 30, 2025 and 2024, respectively, and \$154.3 million and \$92.6 million for the nine months ended September 30, 2025 and 2024, respectively. Future amortization is estimated as follows (in thousands):

2025 - remainder	\$ 69,915
2026	244,543
2027	239,394
2028	233,602
2029	224,924
Thereafter	2,250,637
Total	\$ 3,263,015

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NOTE 8 - OTHER ASSETS AND OTHER LIABILITIES

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

	September 30, 2025	December 31, 2024
Other assets:		
Deferred compensation	\$ 1,055,991	\$ 865,585
Prepaid assets	180,588	194,690
Fractional shares — investment	348,164	278,683
Deferred tax assets, net	131,507	129,902
Operating lease assets	157,606	119,144
Referral fee	105,345	85,780
Debt issuance costs, net	11,903	14,154
Other	112,538	127,801
Total other assets	\$ 2,103,642	\$ 1,815,739
Other liabilities:		
Deferred compensation	\$ 1,049,467	\$ 862,698
Unearned revenue	265,534	207,563
Fractional shares — repurchase obligation	348,164	278,683
Operating lease liabilities	185,502	147,718
Finance lease liabilities	—	105,123
Financing obligation liabilities	108,776	—
Taxes payable	60,040	134,815
Contingent consideration	128,855	196,898
Other	5,462	18,241
Total other liabilities	\$ 2,151,800	\$ 1,951,739

The Company entered into a 20 year credit tenant lease on its Fort Mill, South Carolina office in April 2025. The transaction was accounted for as a financing arrangement as it did not qualify for sale-leaseback accounting primarily due to the existence of an option to purchase the property for \$1 at the end of the lease term. The Company had previously accounted for this location as a finance lease. As a result of the transaction, the term was extended, a financing obligation of \$109.3 million was recorded, and the existing finance lease liability of \$105.0 million was derecognized. The Company allocated \$104.0 million and \$5.3 million to building and land, respectively, in the Property and equipment, net line item in the Company's condensed consolidated statements of financial condition. In connection with the sale-leaseback, the Company incurred incremental costs of \$2.5 million, which were included in the basis of the amount financed.

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NOTE 9 - CORPORATE DEBT AND OTHER BORROWINGS, NET

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

Corporate Debt	September 30, 2025			December 31, 2024			
	Balance	Applicable Margin	Interest Rate	Balance	Applicable Margin	Interest rate	Maturity
Term Loan A ⁽¹⁾	\$ 1,020,000	SOFRA+147.5 bps	5.725 %	\$ 1,020,000	SOFRA+147.5 bps	6.000 %	12/5/2026
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 %	—	—	— %	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 %	—	—	— %	3/15/2030
2030 Senior Notes ⁽¹⁾	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 %	—	—	— %	3/15/2035
2035 Senior Notes ⁽¹⁾	500,000	Fixed Rate	5.750 %	—	—	— %	6/15/2035
Total Corporate Debt	7,220,000			4,470,000			
Less: Unamortized Debt Issuance Cost	(42,532)			(22,276)			
Corporate debt, net	\$ 7,177,468			\$ 4,447,724			
Other Borrowings							
Revolving Credit Facility	344,000	ABR+37.5 bps / SOFR+147.5 bps	5.695 %	1,047,000	ABR+37.5 bps / SOFR+147.5 bps	6.007 %	5/20/2029
Total other borrowings	\$ 344,000			\$ 1,047,000			
Corporate Debt and Other Borrowings, Net	\$ 7,521,468			\$ 5,494,724			

(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 September 30, 2025 (in millions):

Description	Borrower	Maturity Date	Outstanding	Available
Senior unsecured, revolving credit facility	LPL Holdings, Inc.	May 2029	\$ 344	\$ 1,906
Broker-dealer revolving credit facility	LPL Financial LLC	May 2026	\$ —	\$ 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

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.

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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.

Refinanced Existing Term Loan B Facility with Term Loan A Facility

On December 5, 2024, LPLH refinanced its existing \$1.0 billion Term Loan B facility with a new \$1.0 billion Term Loan A facility (the "Term Loan A") that will mature on December 5, 2026.

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

Issuance of 2027 Senior Notes and 2034 Senior Notes

On May 20, 2024, LPLH issued \$500.0 million in aggregate principal amount of 5.700% senior notes due 2027 ("2027 Senior Notes") and \$500.0 million in aggregate principal amount of 6.000% senior notes due 2034 (the "2034 Senior Notes"). In connection with the issuance of the 2027 Senior Notes and 2034 Senior Notes, the Company incurred \$7.1 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

On May 20, 2024, LPLH amended its revolving credit facility to, among other things, increase the maximum borrowing from \$2.0 billion to \$2.25 billion and extend the maturity of the revolving credit facility to May 2029. In connection with the amendment of the credit facility, LPLH incurred \$8.6 million in costs, which were capitalized as debt issuance costs in the condensed consolidated statements of financial condition.

The Credit Agreement subjects the Company to certain financial and non-financial covenants. As of September 30, 2025, the Company was in compliance with such covenants.

Broker-Dealer Revolving Credit Facility

On May 19, 2025, LPL Financial, the Company's broker-dealer subsidiary, renewed its revolving credit facility to extend the maturity of the revolving credit facility to May 2026. 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 \$1.3 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 September 30, 2025.

Other External Lines of Credit

LPL Financial maintained five uncommitted lines of credit as of September 30, 2025. 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 September 30, 2025 or December 31, 2024.

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.

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

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 September 30, 2025 or December 31, 2024.

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 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 February 2023, the Company received a request for information from the SEC in connection with an investigation of certain elements of the Company's Anti-Money Laundering compliance program. In 2024, the SEC proposed a resolution, under which the Company would pay an \$18.0 million civil monetary penalty. As a result, the Company recorded \$18.0 million in other expense in the consolidated statements of income for the year ended December 31, 2024. The Company reached a settlement with the staff of the SEC and paid the civil monetary penalty in January 2025.

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.

In August 2024, the Company received a request for information from the SEC regarding certain elements of the Company's cash management program for corporate advisory accounts. The Company has been cooperating with the request.

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.

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

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

	Nine Months Ended September 30,	
	2025	2024
Beginning balance — January 1	\$ 79,637	\$ 82,883
Losses incurred	35,556	27,724
Losses paid	(17,613)	(35,562)
Ending balance — September 30	\$ 97,580	\$ 75,045

Other Commitments

As of September 30, 2025, the Company had approximately \$719.9 million of client margin loans that were collateralized with securities having a fair value of approximately \$1.0 billion that LPL Financial can repledge, loan or sell. Of these securities, approximately \$572.4 million were client-owned securities pledged to the Options Clearing Corporation as collateral to secure client obligations related to options positions. As of September 30, 2025, there were no restrictions that materially limited the Company's ability to repledge, loan or sell the remaining \$435.4 million of client collateral.

Investment securities on the condensed consolidated statements of financial condition include \$14.8 million and \$8.5 million of trading securities pledged to the Options Clearing Corporation at September 30, 2025 and December 31, 2024, respectively, and \$24.7 million and \$20.0 million of trading securities pledged to the National Securities Clearing Corporation at September 30, 2025 and December 31, 2024, respectively.

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):

	2025		2024	
	Dividend per Share	Total Cash Dividend	Dividend per Share	Total Cash Dividend
First quarter	\$ 0.30	\$ 22.4	\$ 0.30	\$ 22.4
Second quarter	\$ 0.30	\$ 24.0	\$ 0.30	\$ 22.4
Third quarter	\$ 0.30	\$ 24.0	\$ 0.30	\$ 22.4

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. On September 21, 2022, the Board authorized a \$2.1 billion increase to the amount available for repurchases of the Company's issued and outstanding common shares.

During the nine months ended September 30, 2025 LPLFH repurchased 289,371 shares of common stock at a weighted-average price of \$345.59 for a total of \$100.0 million. As of September 30, 2025, the Company had \$630.0 million remaining under the existing share repurchase program. As a result of the Company's acquisition of Commonwealth, we paused share repurchases. 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.

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

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 11,662,487 shares remaining available for future issuance at September 30, 2025.

Stock Options and Warrants

The Company has not granted stock options or warrants since 2019. The following table summarizes the Company's stock option and warrant activity as of and for the nine months ended September 30, 2025:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (In thousands)
Outstanding — December 31, 2024	135,510	\$ 61.08		
Granted	—	\$ —		
Exercised	(67,822)	\$ 58.91		
Forfeited and Expired	—	\$ —		
Outstanding — September 30, 2025	<u>67,688</u>	<u>63.25</u>	<u>2.44</u>	<u>\$ 18,238</u>
Exercisable — September 30, 2025	<u>67,688</u>	<u>63.25</u>	<u>2.44</u>	<u>\$ 18,238</u>
Exercisable and expected to vest — September 30, 2025	<u>67,688</u>	<u>63.25</u>	<u>2.44</u>	<u>\$ 18,238</u>

The following table summarizes information about outstanding stock options and warrants as of September 30, 2025:

Range of Exercise Prices	Outstanding			Exercisable	
	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Life (Years)	Number of Shares	Weighted-Average Exercise Price
\$19.85 - \$25.00	3,383	\$ 19.85	0.41	3,383	\$ 19.85
\$25.01 - \$35.00	—	\$ —	0.00	—	\$ —
\$35.01 - \$45.00	14,995	\$ 39.48	1.45	14,995	\$ 39.48
\$45.01 - \$65.00	—	\$ —	0.00	—	\$ —
\$65.01 - \$75.00	16,710	\$ 65.50	2.38	16,710	\$ 65.50
\$75.01 - \$80.00	32,600	\$ 77.53	3.15	32,600	\$ 77.53
	<u>67,688</u>	<u>63.25</u>	<u>2.45</u>	<u>67,688</u>	<u>63.25</u>

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

The Company recognized no share-based compensation expense related to the vesting of stock options awarded to employees and officers during the three and nine months ended September 30, 2025 or 2024. As of September 30, 2025, there was no unrecognized compensation cost related to non-vested stock options.

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 nine months ended September 30, 2025:

	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, 2024	6,291	\$ 268.64	622,564	\$ 233.55
Granted	1,820	\$ 372.50	324,305	\$ 363.24
Vested	(6,907)	\$ 277.90	(253,350)	\$ 240.05
Forfeited	—	\$ —	(52,779)	\$ 324.55
Outstanding — September 30, 2025	1,204	\$ 372.50	640,740 ⁽¹⁾	\$ 289.13
Expected to vest — September 30, 2025	1,204	\$ 372.50	484,807	\$ 322.39

(1) Includes 97,500 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 \$15.8 million and \$17.5 million of share-based compensation expense related to the vesting of these restricted stock awards and stock units during the three months ended September 30, 2025 and 2024, respectively, and \$48.4 million and \$55.1 million during the nine months ended September 30, 2025 and 2024, respectively. As of September 30, 2025, total unrecognized compensation cost for restricted stock awards and stock units was \$112.4 million, which is expected to be recognized over a weighted-average remaining period of 2.0 years.

The Company also grants restricted stock units to its advisors and to institutions. The Company recognized share-based compensation expense of \$0.8 million and \$0.7 million related to the vesting of these awards during the three months ended September 30, 2025 and 2024, respectively, and \$2.5 million and \$2.1 million during the nine months ended September 30, 2025 and 2024, respectively. As of September 30, 2025, total unrecognized compensation cost for restricted stock units granted to advisors and institutions was \$8.6 million, which is expected to be recognized over a weighted-average remaining period of 2.4 years.

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

NOTE 13 - EARNINGS PER SHARE

Basic (loss) earnings per share is computed by dividing net (loss) income available to common stockholders by the weighted-average number of shares of common stock outstanding during the period. The computation of diluted (loss) earnings per share is similar to the computation of basic (loss) 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 (loss) earnings per share for the periods noted was as follows (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (29,517)	\$ 255,303	\$ 562,305	\$ 787,867
Basic weighted-average number of shares outstanding	80,017	74,776	78,220	74,688
Dilutive common share equivalents	340	629	374	736
Diluted weighted-average number of shares outstanding	80,357	75,405	78,594	75,424
Basic (loss) earnings per share	\$ (0.37)	\$ 3.41	\$ 7.19	\$ 10.55
Diluted (loss) earnings per share	\$ (0.37)	\$ 3.39	\$ 7.15	\$ 10.45

The computation of diluted (loss) earnings per share excludes stock options, warrants and stock units that are anti-dilutive. For the three months ended September 30, 2025 and 2024, stock options, warrants and stock units representing common share equivalents of 1,306 shares and 31,631 shares, respectively, were anti-dilutive. For the nine months ended September 30, 2025 and 2024, stock options, warrants and stock units representing common share equivalents of 6,705 shares and 7,577 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):

	September 30, 2025
LPL Financial LLC	
Net capital	\$ 478,787
Less: required net capital	26,405
Excess net capital	\$ 452,382

Our other regulated subsidiaries, including LPL Enterprise, Atria's seven introducing broker-dealer subsidiaries, 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 their operations. As of September 30, 2025, 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, occupancy and equipment, and promotional 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 December 1, 2025 to all stockholders of record on November 13, 2025.

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 September 30, 2025, the fair value of our trading securities was \$199.9 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 \$1.4 billion as of September 30, 2025. 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 September 30, 2025, \$1.4 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):

Corporate Debt and Other Borrowings	Outstanding Balance at September 30, 2025	Annual Impact of an Interest Rate ⁽¹⁾ Increase of			
		10 Basis Points	25 Basis Points	50 Basis Points	100 Basis Points
Term Loan A	\$ 1,020,000	\$ 1,020	\$ 2,550	\$ 5,100	\$ 10,200
Revolving Credit Facility	344,000	344	860	1,720	3,440
Variable Rate Debt Outstanding	\$ 1,364,000	\$ 1,364	\$ 3,410	\$ 6,820	\$ 13,640

(1) 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 effect 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 advisory individual retirement accounts. 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 nine months ended September 30, 2025 or 2024. 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 third quarter ended September 30, 2025 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 2024 Annual Report on Form 10-K.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended September 30, 2025, certain of our 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.

Officer	Date of Plan Adoption	Commencement of Trading Period	Termination of Trading Period ⁽¹⁾	Maximum Number of Securities to be Purchased or Sold Pursuant to the Rule 10b5-1 Trading Arrangements	Purchase or Sale
Richard Steinmeier, Chief Executive Officer	September 4, 2025	December 5, 2025	March 5, 2026	5,058	Sale
Matthew Audette, President and Chief Financial Officer	August 14, 2025	February 25, 2026	April 16, 2026	6,017	Sale

(1) Represents the outside termination date pursuant to terms of each applicable plan. The agreement governing the applicable plan may terminate earlier pursuant to its terms in certain circumstances outside of the control of the applicable officer, including if all trades under the plan are completed prior to the termination of the trading period.

Item 6. Exhibits

- 2.1 [Amendment No. 1 to the Equity Purchase Agreement, dated as of July 15, 2025, by and among LPL Holdings, Inc., Gratitude Holdings, Inc., Odd Couple, Inc. and CFN Holding Company, LLC.](#) *

- 3.1 [Amended and Restated Certificate of Incorporation of LPL Investment Holdings Inc., dated November 23, 2010 \(incorporated by reference to Amendment No. 2 to the Registration Statement on Form S-1 filed on July 9, 2010, File No. 333-167325\).](#)
- 3.2 [Certificate of Ownership and Merger Merging LPL Financial Holdings Inc. with and into LPL Investment Holdings Inc., dated June 14, 2012 \(incorporated by reference to the Form 8-K filed on June 19, 2012, File No. 001-34963\).](#)
- 3.3 [Certificate of Amendment to the Amended and Restated Certificate of Incorporation of LPL Financial Holdings Inc., dated May 8, 2014 \(incorporated by reference to the Form 8-K filed on May 9, 2014, File No. 001-34963\).](#)
- 3.4 [Seventh Amended and Restated Bylaws of LPL Financial Holdings Inc. \(incorporated by reference to the Form 8-K filed on February 20, 2024, File No. 001-34963\).](#)
- 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: November 3, 2025

By: /s/ RICHARD STEINMEIER
Richard Steinmeier
Chief Executive Officer

Date: November 3, 2025

By: /s/ MATTHEW AUDETTE
Matthew Audette
President and Chief Financial Officer

Date: November 3, 2025

By: /s/ KATHARINE REEPING
Katharine Reeping
Chief Accounting Officer

AMENDMENT NO. 1 TO THE EQUITY PURCHASE AGREEMENT

THIS AMENDMENT NO. 1 (this "Amendment"), dated as of July 15, 2025, to the Equity Purchase Agreement, dated as of March 28, 2025 (the "Purchase Agreement"), by and among LPL Holdings, Inc., a Massachusetts corporation (the "Purchaser"), CFN Holding Company, LLC, a Massachusetts limited liability company, Gratitude Holdings, Inc., a Massachusetts corporation ("Gratitude") and Odd Couple, Inc., a Delaware corporation ("Odd Couple") and together with Gratitude the "Sellers," and the Sellers collectively with the Purchaser, the "Parties" and each a "Party"), is entered into by and among the Purchaser and the Sellers. Capitalized terms used but not defined elsewhere in this Amendment shall have the meanings ascribed to them in the Purchase Agreement.

RECITALS

WHEREAS, the Purchaser and the Sellers entered into the Purchase Agreement on March 28, 2025;

WHEREAS, pursuant to Section 10.4 of the Purchase Agreement, the Parties may amend or supplement the Purchase Agreement in any and all respects by written agreement of the Purchaser and the Sellers by their duly authorized officers; and

WHEREAS, pursuant to Section 10.5 of the Purchase Agreement, any term or condition of the Purchase Agreement may be waived at any time in writing by the Party against whom such waiver is sought to be entered.

NOW, THEREFORE, in consideration of the premises, and of the mutual covenants and agreements contained herein, made and intending to be legally bound, the Parties hereby agree as follows:

1. Amendment to the Purchase Agreement. Notwithstanding anything in the Purchase Agreement to the contrary, the Parties acknowledge and agree that the Purchase Agreement is hereby amended as follows:

Section 1.2 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"**Closing**. The closing of the Transactions (the "Closing") will take place remotely by electronic exchange of documents and signatures (or their electronic counterparts), on the first Business Day following the last day of the month during which the satisfaction or waiver (by the Party entitled to the benefit of such conditions) of the conditions set forth in Article VII (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver (by the Party entitled to the benefit of such conditions) at the Closing of those conditions) has occurred, or on or at such other date, time or place as is agreed to in writing by the Purchaser and the Sellers; provided, that the Closing will not occur prior to August 1, 2025. The date on which the Closing occurs is referred to herein as the "Closing Date.""

Section 6.8(c) of the Purchase Agreement is hereby amended by deleting the second sentence and replacing it with the following:

"Each of the Parties agree that the Tail Coverage for errors and omissions insurance will be on substantially the terms and conditions of the proposal for coverage for errors and omissions insurance attached hereto as Exhibit D.

Section 6.24(c) of the Purchase Agreement is hereby amended by replacing the words "no later than within three (3) Business Days of the approval by FINRA of the FINRA CIC Application" with "at such time as Purchaser may determine in its sole discretion, provided that, in the event that the Purchaser submits the FINRA Conversion Application to FINRA prior to the Closing, the Purchaser will notify the Sellers no later than three (3) Business Days prior to such submission."

Section 6.27 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"**Novation and Release Agreement**. As of the date of this Agreement, each Party is causing its respective captive insurance Affiliate to execute a novation and release agreement (the "Novation and Release Agreement") between Claridge Insurance Co. ("Claridge") and Sunstone Assurance II, LLC, Series CC-1, a series of Sunstone Assurance II, LLC, a Tennessee limited liability company ("Sunstone"). Sellers shall and shall cause Claridge to, and Purchaser shall and shall cause Sunstone to, perform all obligations and take all steps necessary to complete the transactions contemplated by the Novation and Release Agreement (the "Novation and Release"), including using reasonable best efforts to obtain all required regulatory approvals, and to cause the closing of the Novation and Release to occur on the Closing Date simultaneously with the Closing. If for any reason the closing of the Novation and Release does not occur on the Closing Date, then, in accordance with Section 10 of Policy Number EO-01-2025 issued by Claridge to the Group Companies (the "Current Claridge Policy"), Sellers shall cause the Current Claridge Policy to remain in full force and effect with respect to Wrongful Acts (as defined in the Current Claridge Policy) occurring before the Closing, and the Parties shall, and shall cause Claridge and Sunstone, to continue to use reasonable

best efforts to close the Novation and Release as soon as possible after the Closing Date.”**Novation and Release Agreement**. As of the date of this Agreement, each Party is causing its respective captive insurance Affiliate to execute a novation and release agreement (the “**Novation and Release Agreement**”) between Claridge Insurance Co. (“**Claridge**”) and Sunstone Assurance II, LLC, Series CC-1, a series of Sunstone Assurance II, LLC, a Tennessee limited liability company (“**Sunstone**”). Sellers shall and shall cause Claridge to, and Purchaser shall and shall cause Sunstone to, perform all obligations and take all steps necessary to complete the transactions contemplated by the Novation and Release Agreement (the “**Novation and Release**”), including using reasonable best efforts to obtain all required regulatory approvals, and to cause the closing of the Novation and Release to occur on the Closing Date simultaneously with the Closing. If for any reason the closing of the Novation and Release does not occur on the Closing Date, then, in accordance with Section 10 of Policy Number EO-01-2025 issued by Claridge to the Group Companies (the “**Current Claridge Policy**”), Sellers shall cause the Current Claridge Policy to remain in full force and effect with respect to Wrongful Acts (as defined in the Current Claridge Policy) occurring before the Closing, and the Parties shall, and shall cause Claridge and Sunstone, to continue to use reasonable best efforts to close the Novation and Release as soon as possible after the Closing Date.”

All references in the Purchase Agreement to “LPT Agreement” are hereby deleted and replaced with references to “Novation and Release Agreement.” All references in the Purchase Agreement to “LPT” are hereby deleted and replaced with references to “Novation and Release.”

2. Waiver. Each Party hereby agrees that the failure of the Parties to submit the FINRA Conversion Application to FINRA within three (3) Business Days of the approval by FINRA of the FINRA CiC Application was not and is not, and in no event will it be considered to be, a failure of any Party to perform the obligations required to be performed by such Party under the Purchase Agreement.

3. General Provisions.

(a) Effectiveness. All of the provisions of this Amendment shall be effective as of the date of this Amendment. Except to the extent specifically amended hereby, each term, provision and condition of the Purchase Agreement and the Disclosure Schedule shall remain unchanged and continue in full force and effect, and, to the extent applicable, such terms shall apply to this Amendment as if it formed a part of the Purchase Agreement and the Disclosure Schedule.

(b) References to the Purchase Agreement. As of and after the date hereof, each reference in the Purchase Agreement to “this Agreement”, “hereof”, “hereunder”, “herein”, “hereby” or words of like import referring to the Purchase Agreement, and each reference to the Purchase Agreement in the exhibits and schedules thereto, shall mean and be a reference to the Purchase Agreement as amended by this Amendment, and all references in the Disclosure Schedule to “the Agreement” shall refer to the Purchase Agreement as amended by this Amendment. Notwithstanding the foregoing, all references in the Purchase Agreement or the Disclosure Schedule to “the date hereof”, “the date of this Agreement” or “the date of the Agreement” or words of like import shall refer to March 28, 2025, and all references in the Purchase Agreement to “prior to the date hereof” or words of like import shall mean before the Purchase Agreement was executed on March 28, 2025 (without regard to this Amendment).

(c) Entire Agreement. This Amendment, the Purchase Agreement (including the Disclosure Schedule and all Exhibits thereto, together with the other instruments referred to therein), the Confidentiality Agreement and the other Transaction Documents constitute the entire agreement among the Parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and oral, among the Parties or any of them with respect to the subject matter hereof and thereof.

(d) Other Miscellaneous Terms. The provisions of **Section 10.4 (Amendment or Supplement)**, **Section 10.5 (Waiver)**, **Section 10.6 (Assignment)**, **Section 10.7 (Counterparts)**, **Section 10.9 (Governing Law; Jurisdiction)**, **Section 10.10 (Specific Performance)**, **Section 10.11 (Waiver of Jury Trial)**, **Section 10.13 (Notices)**, **Section 10.14 (Severability)**, **Section 10.16 (Interpretation)**, and **Section 10.19 (Delivery by Electronic Transmission)** of the Purchase Agreement shall apply to this Amendment *mutatis mutandis*.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed and delivered as of the date first written above.

SELLERS:

Gratitude Holdings, Inc.

By: /s/ Joseph Deitch

Name: Joseph S. Deitch
Title: Chief Executive Officer

Odd Couple, Inc.

By: /s/ Joseph Deitch

Name: Joseph S. Deitch
Title: Chief Executive Officer

PURCHASER:

LPL Holdings, Inc.

By: /s/ Brett Goodman

Name: Brett Goodman
Title: Treasurer

Exhibit D
Tail Coverage Terms and Conditions

List of Subsidiary Guarantors and Issuers of Guaranteed Securities

As of September 30, 2025, 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: November 3, 2025

/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: November 3, 2025

/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 September 30, 2025 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: November 3, 2025

/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 September 30, 2025 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: November 3, 2025

/s/ Matthew Audette

Matthew Audette
President and Chief Financial Officer