

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 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
Common Stock - \$0.001 par value per share

Trading Symbol(s)
LPLA

Name of each exchange on which registered
The Nasdaq Global Select Market

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

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

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

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

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

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

Yes No

The number of shares of Common Stock, par value \$0.001 per share, outstanding as of July 30, 2025 was 80,004,103.

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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 August 4, 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.

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

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

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

Core G&A: A non-GAAP financial measure defined as total expense excluding the following expenses: advisory and commission; depreciation and amortization; interest expense on borrowings; brokerage, clearing and exchange; amortization of other intangibles; market fluctuations on employee deferred compensation; promotional (ongoing); employee share-based compensation; regulatory charges; 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., and certain of Atria Wealth Solutions, Inc.'s 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 income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles.

FINRA: The Financial Industry Regulatory Authority.

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

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

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

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

NFA: The National Futures Association.

OCC: The Office of the Comptroller of the Currency.

RIA: Registered investment 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 29,000 financial advisors, and the wealth management practices of approximately 1,100 financial institutions, servicing and custodialing approximately \$1.9 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. See Note 4 - *Acquisitions* within the notes to the condensed consolidated financial statements for additional information.

Completed a \$1.7 billion 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. See Note 11 - *Stockholders' Equity* within the notes to the condensed consolidated financial statements for additional information.

Completed a \$1.5 billion debt offering

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, \$500.0 million in aggregate principal amount of 5.150% senior unsecured notes due 2030 and \$500.0 million in aggregate principal amount of 5.750% senior unsecured notes due 2035. See Note 9 - *Corporate Debt and Other Borrowings, Net* within the notes to the condensed consolidated financial statements for additional information.

Executive Summary

Financial Highlights

Results for the second quarter of 2025 included net income of \$273.2 million, or \$3.40 per diluted share, which compares to \$243.8 million, or \$3.23 per diluted share, for the second quarter of 2024.

Asset Trends

Total advisory and brokerage assets served were \$1.9 trillion at June 30, 2025, compared to \$1.5 trillion at June 30, 2024. Total net new assets were \$20.5 billion for the three months ended June 30, 2025, compared to \$34.0 billion for the same period in 2024.

Net new advisory assets were \$23.1 billion for the three months ended June 30, 2025, compared to \$26.8 billion for the same period in 2024. Advisory assets were \$1.1 trillion, or 55% of total advisory and brokerage assets served, at June 30, 2025, up 28% from \$829.1 billion at June 30, 2024.

Net new brokerage assets were an outflow of \$2.6 billion for the three months ended June 30, 2025, compared to an inflow of \$7.2 billion for the same period in 2024. Brokerage assets were \$858.5 billion at June 30, 2025, up 28% from \$668.7 billion at June 30, 2024.

Gross Profit Trend

Gross profit, a non-GAAP financial measure, was \$1.3 billion for the three months ended June 30, 2025, an increase of 21% from \$1.1 billion for the three months ended June 30, 2024. See the “*Key Performance Metrics*” section for additional information on gross profit.

Common Stock Dividends

During the three months ended June 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		
	June 30, 2025	March 31, 2025	June 30, 2024
Operating Metrics (dollars in billions)⁽¹⁾			
Advisory and Brokerage Assets⁽²⁾			
Advisory assets	\$ 1,060.7	\$ 977.4	\$ 829.1
Brokerage assets	858.5	817.5	668.7
Total Advisory and Brokerage Assets	\$ 1,919.2	\$ 1,794.9	\$ 1,497.8
Advisory as a % of total Advisory and Brokerage Assets	55.3%	54.5%	55.4%
Net New Assets⁽³⁾			
Net new advisory assets	\$ 23.1	\$ 37.6	\$ 26.8
Net new brokerage assets	(2.6)	41.2	7.2
Total Net New Assets	\$ 20.5	\$ 78.8	\$ 34.0
Organic Net New Assets			
Organic net new advisory assets	\$ 23.1	\$ 35.7	\$ 26.6
Organic net new brokerage assets	(2.6)	35.2	2.5
Total Organic Net New Assets	\$ 20.5	\$ 70.9	\$ 29.0
Organic advisory net new assets annualized growth ⁽⁴⁾	9.5%	14.9%	13.4%
Total organic net new assets annualized growth ⁽⁴⁾	4.6%	16.3%	8.1%
Client Cash Balances			
Insured cash account sweep	\$ 34.2	\$ 36.1	\$ 31.0
Deposit cash account sweep	10.8	10.7	9.2
Total Bank Sweep	44.9	46.8	40.2
Money market sweep	3.7	4.3	2.3
Total Client Cash Sweep Held by Third Parties	48.6	51.1	42.5
Client cash account	2.0	1.9	1.5
Total Client Cash Balances	\$ 50.6	\$ 53.1	\$ 44.0
Client Cash Balances as a % of Total Assets	2.6%	3.0%	2.9%
Net buy (sell) activity ⁽⁵⁾	\$ 36.6	\$ 42.0	\$ 39.3
Business and Financial Metrics (dollars in millions)			
As of and for the Three Months Ended			
	June 30, 2025	March 31, 2025	June 30, 2024
Advisors	29,353	29,493	23,462
Average total assets per advisor ⁽⁶⁾	\$ 65.4	\$ 60.9	\$ 63.8
Share repurchases	\$ —	\$ 100.0	\$ —
Dividends	\$ 24.0	\$ 22.4	\$ 22.4
Leverage ratio ⁽⁷⁾	1.23	1.82	1.68

<i>Financial Metrics (dollars in millions, except per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Total revenue	\$ 3,835.0	\$ 2,931.8	\$ 7,505.0	\$ 5,764.4
Net income	\$ 273.2	\$ 243.8	\$ 591.8	\$ 532.6
Earnings per share ("EPS"), diluted	\$ 3.40	\$ 3.23	\$ 7.61	\$ 7.05
Non-GAAP Financial Metrics (dollars in millions, except per share data)				
Adjusted EPS ⁽⁸⁾	\$ 4.51	\$ 3.88	\$ 9.64	\$ 8.09
Gross profit ⁽⁹⁾	\$ 1,304.3	\$ 1,079.2	\$ 2,576.9	\$ 2,145.6
Adjusted EBITDA ⁽¹⁰⁾	\$ 688.3	\$ 532.9	\$ 1,370.7	\$ 1,073.4
Core G&A ⁽¹¹⁾	\$ 425.6	\$ 370.9	\$ 838.7	\$ 734.4

- (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 Atria Wealth Solutions, Inc.'s ("Atria") seven 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 by the Credit Agreement as "Consolidated EBITDA," which is Consolidated Net Income (as defined in the Credit Agreement) plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles, and is further adjusted to exclude certain non-cash charges and other adjustments, and to include future expected cost savings, operating expense reductions or other synergies from certain transactions. Please consult the "Debt and Related Covenants" section for more information. Below are reconciliations of corporate debt and other borrowings to Credit Agreement net debt as of the dates below and net income to EBITDA and Credit Agreement EBITDA for the trailing twelve-month periods presented (in millions):

	June 30, 2025	March 31, 2025	June 30, 2024
Credit Agreement Net Debt Reconciliation			
Corporate debt and other borrowings	\$ 7,220.0	\$ 5,720.0	\$ 4,471.9
Corporate Cash ⁽¹²⁾	(3,617.0)	(620.6)	(684.1)
Credit Agreement Net Debt⁽¹¹⁾	\$ 3,603.0	\$ 5,099.4	\$ 3,787.8
EBITDA and Credit Agreement EBITDA Reconciliation			
Net income	\$ 1,117.9	\$ 1,088.4	\$ 974.4
Interest expense on borrowings	341.3	300.0	227.2
Provision for income taxes	356.8	347.5	341.3
Depreciation and amortization	359.0	333.7	270.7
Amortization of other intangibles	164.7	149.2	116.5
EBITDA⁽¹¹⁾	\$ 2,339.6	\$ 2,218.8	\$ 1,930.2
Credit Agreement Adjustments:			
Acquisition costs and other ⁽¹³⁾	\$ 269.6	\$ 249.9	\$ 224.7
Employee share-based compensation	84.2	84.7	73.9
M&A accretion ⁽¹⁴⁾	222.2	237.2	28.8
Advisor share-based compensation	2.8	2.7	2.6
Loss on extinguishment of debt	4.0	4.0	—
Credit Agreement EBITDA⁽¹¹⁾	\$ 2,922.4	\$ 2,797.3	\$ 2,260.2
Leverage Ratio	1.23	1.82	1.68

(†) Totals may not foot due to rounding.

- (8) Adjusted EPS is a non-GAAP financial measure defined as adjusted net income, a non-GAAP financial measure defined as net income plus the after-tax impact of amortization of other intangibles and acquisition costs, divided by the weighted average number of diluted shares outstanding for the applicable period. The Company presents adjusted net income and adjusted EPS because management believes that these metrics can provide investors with useful insight into the Company's core operating performance by excluding non-cash items, acquisition costs and certain other 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 income, earnings per diluted share or any other performance measure derived in accordance with GAAP. Below is a reconciliation of net income and earnings per diluted share to adjusted net income and adjusted EPS for the periods presented (in millions, except per share data):

Adjusted Net Income / Adjusted EPS Reconciliation	Three Months Ended June 30,				Six Months Ended June 30,			
	2025		2024		2025		2024	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
Net income / earnings per diluted share	\$ 273.2	\$ 3.40	\$ 243.8	\$ 3.23	\$ 591.8	\$ 7.61	\$ 532.6	\$ 7.05
Amortization of other intangibles	46.1	0.57	30.6	0.41	89.6	1.15	60.2	0.80
Acquisition costs ⁽¹⁵⁾	74.9	0.93	36.9	0.49	123.4	1.59	46.4	0.61
Tax benefit	(31.4)	(0.39)	(17.8)	(0.24)	(55.4)	(0.71)	(28.1)	(0.37)
Adjusted Net Income / Adjusted EPS^(†)	\$ 362.8	\$ 4.51	\$ 293.5	\$ 3.88	\$ 749.5	\$ 9.64	\$ 611.0	\$ 8.09
Weighted-average shares outstanding, diluted	80.4		75.5		77.8		75.5	

(†) Totals may not foot due to rounding.

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

Gross Profit	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	Total revenue	\$ 3,835.0	\$ 2,931.8	\$ 7,505.0
Advisory and commission expense	2,483.2	1,819.0	4,837.1	3,552.5
Brokerage, clearing and exchange expense	43.3	33.0	87.4	63.5
Employee deferred compensation	4.3	0.6	3.6	2.7
Gross Profit^(†)	\$ 1,304.3	\$ 1,079.2	\$ 2,576.9	\$ 2,145.6

(†) Totals may not foot due to rounding.

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

EBITDA Reconciliation	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	Net income	\$ 273.2	\$ 243.8	\$ 591.8
Interest expense on borrowings	105.6	64.3	191.5	124.4
Provision for income taxes	95.6	86.3	194.2	171.7
Depreciation and amortization	96.2	71.0	188.6	138.2
Amortization of other intangibles	46.1	30.6	89.6	60.2
EBITDA	\$ 616.8	\$ 496.0	\$ 1,255.8	\$ 1,027.1
Acquisition costs excluding interest ⁽¹⁵⁾	71.6	36.9	115.0	46.4
Adjusted EBITDA^(†)	\$ 688.3	\$ 532.9	\$ 1,370.7	\$ 1,073.4

(†) 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Total expense	\$ 3,466.2	\$ 2,601.7	\$ 6,719.0	\$ 5,060.1
Advisory and commission	(2,483.2)	(1,819.0)	(4,837.1)	(3,552.5)
Depreciation and amortization	(96.2)	(71.0)	(188.6)	(138.2)
Interest expense on borrowings	(105.6)	(64.3)	(191.5)	(124.4)
Brokerage, clearing and exchange	(43.3)	(33.0)	(87.4)	(63.5)
Amortization of other intangibles	(46.1)	(30.6)	(89.6)	(60.2)
Employee deferred compensation	(4.3)	(0.6)	(3.6)	(2.7)
Total G&A^(†)	687.5	583.2	1,321.2	1,118.6
Promotional (ongoing) ⁽¹⁶⁾	(163.6)	(147.8)	(315.5)	(280.1)
Acquisition costs excluding interest ⁽¹⁵⁾	(71.6)	(36.9)	(115.0)	(46.4)
Employee share-based compensation	(19.5)	(20.0)	(37.9)	(42.6)
Regulatory charges	(7.3)	(7.6)	(14.2)	(15.1)
Core G&A^(†)	\$ 425.6	\$ 370.9	\$ 838.7	\$ 734.4

(†) 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 June 30, 2025 and March 31, 2025 primarily include costs related to the acquisition of Atria, the integration of the strategic relationship with Prudential Financial, Inc., a \$26.4 million reduction related to the departure of the Company's former Chief Executive Officer, and 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. Acquisition costs and other for the twelve months ending June 30, 2024 includes a \$40.0 million regulatory charge related to a penalty proposed by the SEC as part of its civil investigation of the Company's compliance with records preservation requirements for business-related electronic communications stored on personal devices that have not been approved by the Company.
- (14) M&A accretion is an adjustment to reflect the annualized expected run rate EBITDA of an acquisition as permitted by the Credit Agreement for up to eight fiscal quarters following the close of such acquisition. The increase in M&A accretion for the twelve months ending June 30, 2025 as compared to the twelve months ending June 30, 2024 was primarily related to the impact of the Atria acquisition.
- (15) Acquisition costs include the costs to setup, onboard and integrate acquired entities and other costs that were incurred as a result of acquisitions. The below table summarizes the primary components of acquisition costs for the periods presented (in millions):

Acquisition costs	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Promotional ⁽¹⁶⁾	\$ 35.2	\$ 0.5	\$ 43.7	\$ 2.8
Compensation and benefits	16.1	6.8	33.5	10.7
Professional services	11.1	3.6	17.2	6.8
Interest	3.3	—	8.5	—
Change in fair value of contingent consideration	0.3	24.6	6.9	24.6
Other	8.9	1.3	13.7	1.5
Acquisition costs^(†)	\$ 74.9	\$ 36.9	\$ 123.4	\$ 46.4

(†) Totals may not foot due to rounding.

- (16) Promotional (ongoing) for the three and six months ended June 30, 2025 includes \$21.2 million and \$36.0 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 \$12.2 million and \$20.2 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.

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 at June 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. According to the most recent estimate from the U.S. Bureau of Economic Analysis, the U.S. economy grew at an annualized pace of 3.0% in the second quarter of 2025 after contracting at an annualized pace of 0.5% in the first quarter of 2025.

Businesses added roughly 449,000 jobs in the second quarter of 2025, higher than the 333,000 jobs added in the first quarter of 2025. The unemployment rate averaged 4.2% in the second quarter of 2025, up slightly from the 4.1% average in the prior quarter. The equity markets rose during the second quarter, reaching new heights. The S&P 500 rose 10.9% and the Bloomberg Barclays U.S. Aggregate Bond Index rose 4.0% respectively during the second 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 second quarter of 2025, Fed policymakers maintained the target federal funds rate at a range of 4.25% to 4.50%. To the extent they pursue faster easing in monetary policy, the Federal Open Market Committee members will take into account the weakening job market, the inflation trajectory, and global financial conditions.

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 six months ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% Change	2025	2024	% Change
REVENUE						
Advisory	\$ 1,717,738	\$ 1,288,163	33%	\$ 3,406,983	\$ 2,487,974	37%
Commission:						
Sales-based	619,792	423,070	46%	1,229,830	808,305	52%
Trailing	418,295	363,976	15%	856,014	725,187	18%
Total commission	1,038,087	787,046	32%	2,085,844	1,533,492	36%
Asset-based:						
Client cash	397,332	341,475	16%	789,363	693,857	14%
Other asset-based	305,015	259,533	18%	608,225	507,872	20%
Total asset-based	702,347	601,008	17%	1,397,588	1,201,729	16%
Service and fee	151,839	135,000	12%	297,038	267,172	11%
Interest income, net	76,941	47,478	62%	120,792	91,003	33%
Transaction	60,541	58,935	3%	128,405	116,193	11%
Other	87,532	14,139	n/m	68,382	66,799	2%
Total revenue	3,835,025	2,931,769	31%	7,505,032	5,764,362	30%
EXPENSE						
Advisory and commission	2,483,165	1,819,027	37%	4,837,090	3,552,514	36%
Compensation and benefits	319,100	274,000	16%	624,646	548,369	14%
Promotional	177,552	136,125	30%	323,197	262,744	23%
Interest expense on borrowings	105,636	64,341	64%	191,498	124,423	54%
Depreciation and amortization	96,231	70,999	36%	188,587	138,157	37%
Occupancy and equipment	81,443	69,529	17%	158,683	135,793	17%
Amortization of other intangibles	46,103	30,607	51%	89,624	60,159	49%
Brokerage, clearing and exchange	43,290	32,984	31%	87,428	63,516	38%
Professional services	41,092	22,100	86%	77,418	35,379	119%
Communications and data processing	21,417	19,406	10%	40,923	39,150	5%
Other	51,192	62,580	(18%)	99,881	99,895	—%
Total expense	3,466,221	2,601,698	33%	6,718,975	5,060,099	33%
INCOME BEFORE PROVISION FOR INCOME TAXES	368,804	330,071	12%	786,057	704,263	12%
PROVISION FOR INCOME TAXES	95,555	86,271	11%	194,235	171,699	13%
NET INCOME	\$ 273,249	\$ 243,800	12%	\$ 591,822	\$ 532,564	11%

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 six months ended June 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):

	June 30,		\$ Change	% Change
	2025	2024		
Corporate advisory assets	\$ 766.4	\$ 567.8	198.6	35%
Independent RIA advisory assets	294.3	261.3	33.0	13%
Total advisory assets	\$ 1,060.7	\$ 829.1	231.6	28%

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

	Three Months Ended June 30,		Six Months Ended June 30,		
	2025	2024	2025	2024	
Balance - Beginning of period	\$ 977.4	\$ 793.0	\$ 957.0	\$ 735.8	
Net new advisory assets ⁽¹⁾	23.1	26.8	60.7	43.0	
Market impact ⁽²⁾	60.2	9.3	43.0	50.3	
Balance - End of period	\$ 1,060.7	\$ 829.1	\$ 1,060.7	\$ 829.1	

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

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

Advisory revenue increased during the three and six months ended June 30, 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 June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Sales-based	\$ 619,792	\$ 423,070	\$ 196,722	46%	\$ 1,229,830	\$ 808,305	\$ 421,525	52%
Trailing	418,295	363,976	54,319	15%	856,014	725,187	130,827	18%
Total commission revenue	\$ 1,038,087	\$ 787,046	\$ 251,041	32%	\$ 2,085,844	\$ 1,533,492	\$ 552,352	36%

The increase in sales-based commission revenue for the three and six months ended June 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 six months ended June 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Balance - Beginning of period	\$ 817.5	\$ 647.9	\$ 783.7	\$ 618.2
Net new brokerage assets ⁽¹⁾	(2.6)	7.2	38.6	7.7
Market impact ⁽²⁾	43.6	13.6	36.2	42.8
Balance - End of period	\$ 858.5	\$ 668.7	\$ 858.5	\$ 668.7

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

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

Asset-Based

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

Asset-based revenue for the three and six months ended June 30, 2025 increased by \$101.3 million and \$195.9 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 six months ended June 30, 2025 increased compared to 2024 primarily due to increases in recordkeeping and sponsorship program revenue. Client cash revenue for the three and six months ended June 30, 2025 increased compared to 2024 due to higher average client cash balances during the three and six months ended June 30, 2025 as compared to 2024. For the three months ended June 30,

2025, our average client cash balances increased to \$49.1 billion compared to \$43.0 billion in 2024. For the six months ended June 30, 2025, our average client cash balances increased to \$49.9 billion compared to \$43.7 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 six months ended June 30, 2025 increased compared to 2024, primarily due to increases in custodian fees, trading, licensing, 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 six months ended June 30, 2025 increased compared to 2024 primarily due to interest earned on higher corporate cash balances resulting from debt and equity issuances completed during the year in anticipation of the Commonwealth transaction.

Transaction

Transaction revenue includes transaction charges generated in both advisory and brokerage accounts from mutual funds, exchange-traded funds and fixed income products. Transaction revenue for the three and six months ended June 30, 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 six months ended June 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 June 30,			Six Months Ended June 30,		
	2025	2024	Change	2025	2024	Change
Payout rate	87.33%	87.32%	1 bps	87.04%	86.99%	5 bps

Our payout rate for the three and six months ended June 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:

	June 30,		Change
	2025	2024	
Number of employees	9,389	8,625	9%

Compensation and benefits expense for the three and six months ended June 30, 2025 increased by \$45.1 million and \$76.3 million, respectively, compared to 2024, primarily due to an increase in headcount.

Promotional

Promotional expense includes business development costs related to advisor recruitment and retention, costs related to hosting certain advisory conferences that serve as training, sales and marketing events, and other costs that support advisor business growth. Promotional expense for the three and six months ended June 30, 2025 increased by \$41.4 million and \$60.5 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 six months ended June 30, 2025 increased by \$41.3 million and \$67.1 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 six months ended June 30, 2025 increased by \$25.2 million and \$50.4 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.

Occupancy and Equipment

Occupancy and equipment expense includes the costs of leasing and maintaining our office spaces, software licensing and maintenance costs, and maintenance expense on computer hardware and other equipment. Occupancy and equipment expense for the three and six months ended June 30, 2025 increased by \$11.9 million and \$22.9 million, respectively, compared to 2024, primarily due to increased expense related to software licenses and our technology portfolio.

Amortization of Other Intangibles

Amortization of other intangibles represents the benefits received for the use of long-lived intangible assets established through our acquisitions. Amortization of other intangibles for the three and six months ended June 30, 2025 increased by \$15.5 million and \$29.5 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 six months ended June 30, 2025 increased by \$10.3 million and \$23.9 million, respectively, compared to 2024, primarily due to an increase in the volume of trades and expenses for quote services.

Professional Services

Professional services expense includes costs paid to outside firms for assistance with legal, accounting, technology, regulatory, marketing, and general corporate matters, as well as non-capitalized costs related to service and technology enhancements. Professional services expense for the three and six months ended June 30, 2025 increased by \$19.0 million and \$42.0 million, respectively, compared to 2024, primarily due to technology enhancement projects and acquisition-related support.

Other Expense

Other expense includes licensing fees, insurance, broker-dealer regulatory fees, travel-related expenses, fair value adjustments to contingent consideration liabilities, the costs of the investigation, settlement and resolution of regulatory matters (including customer restitution and remediation), and other miscellaneous expenses. Other expense for the three months ended June 30, 2025 decreased by \$11.4 million compared to 2024, primarily due to decreases in fair value adjustments to our contingent consideration liabilities partially offset by increases in licensing and insurance fees. See Note 4 - *Acquisitions*, within the notes to the condensed consolidated financial statements for additional information.

Provision for Income Taxes

Our effective income tax rate was 25.9% and 26.1% for the three months ended June 30, 2025 and 2024, respectively, and 24.7% and 24.4% for the six months ended June 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 slight increase in our effective tax rate for the six months ended June 30, 2025 was primarily driven by lower share-based compensation tax benefits through the second quarter of 2025 as compared to the prior year.

Liquidity and Capital Resources

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

Liquidity

Our liquidity needs are primarily driven by capital requirements at LPL Financial, interest due on our corporate debt and other capital returns to stockholders. Our liquidity needs at LPL Financial are driven primarily by the level and volatility of our client activity. Management maintains a set of liquidity sources and monitors certain business trends and market metrics closely in an effort to ensure we have sufficient liquidity. We believe that based on current levels of cash flows from operations and anticipated growth, together with available cash balances and external liquidity sources, 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 six months ended June 30, 2025 and 2024, LPL Financial paid dividends of \$150.0 million and \$260.0 million to the Parent, respectively.

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

	June 30, 2025	December 31, 2024
Cash and equivalents	\$	\$
Cash at regulated subsidiaries	4,185,337	967,079
Excess cash at regulated subsidiaries per the Credit Agreement	(1,288,722)	(684,779)
	720,359	397,138
Corporate Cash	\$ 3,616,974	\$ 479,438
Corporate Cash		
Cash at the Parent	2,841,718	39,782
Excess cash at regulated subsidiaries per the Credit Agreement	720,359	397,138
Cash at non-regulated subsidiaries	54,897	42,518
Corporate Cash	\$ 3,616,974	\$ 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 \$3.1 billion during the six months ended June 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. 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.

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

We regularly evaluate our existing indebtedness, including potential issuances and refinancing opportunities, based on a number of factors, including our capital requirements, future prospects, contractual restrictions, the availability of refinancing on attractive terms and general market conditions. As of June 30, 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 2025 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 six months ended June 30, 2025, and as of June 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 June 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 June 30, 2025 (in millions):

Description	Borrower	Maturity Date	Outstanding	Available
Senior unsecured, revolving credit facility	LPL Holdings, Inc.	May 2029	\$ —	\$ 2,250
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 2025	\$ —	\$ 50
Secured, uncommitted lines of credit	LPL Financial LLC	March 2028	\$ —	\$ 75
Secured, uncommitted lines of credit	LPL Financial LLC	None	\$ —	unspecified
Secured, uncommitted lines of credit	LPL Financial LLC	None	\$ —	unspecified

Capital Resources

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

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

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

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

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

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

	June 30, 2025	
LPL Financial LLC		
Net capital	\$	758,712
Less: required net capital		22,909
Excess net capital	\$	735,803

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, and PTC, are also subject to various regulatory capital requirements. Failure to meet the respective minimum capital requirements can result in certain mandatory and discretionary actions by regulators that, if undertaken, could have substantial monetary and non-monetary impacts on their operations. As of June 30, 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):

Combined Summarized Statements of Income	LPL Holdings, Inc. & LPL Financial Holdings Inc.	
	Six Months Ended June 30,	
	2025	
Revenues ⁽¹⁾	\$	89,745
Revenues from non-guarantor subsidiaries		8,123
Advisory and commission expense ⁽¹⁾		62,590
Interest expense on borrowings		189,327
Expenses from non-guarantor subsidiaries		11,400
Loss before provision for income taxes		(208,384)
Net loss		(157,244)

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

Combined Summarized Statements of Financial Condition	LPL Holdings, Inc. & LPL Financial Holdings Inc.		
	June 30, 2025	December 31, 2024	
Cash and equivalents	\$	2,841,718	\$ 39,782
Other receivables, net		7,031	15,032
Property and equipment, net		166,281	161,845
Goodwill		1,251,908	1,251,908
Other intangibles, net		53,499	67,486
Receivables from non-guarantor subsidiaries		161,147	148,855
Other assets		1,429,907	1,333,061
Corporate debt and other borrowings, net		7,175,032	5,494,724
Accounts payable and accrued liabilities		86,741	66,818
Payables to non-guarantor subsidiaries		79,738	101,400
Other liabilities		1,405,222	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 June 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	June 30, 2025	
	Covenant Requirement	Actual Ratio
Leverage Ratio (Maximum)	4.0	1.23
Interest Coverage (Minimum)	3.0	9.10

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

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

Contractual Obligations

During the six months ended June 30, 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
REVENUE				
Advisory	\$ 1,717,738	\$ 1,288,163	\$ 3,406,983	\$ 2,487,974
Commission:				
Sales-based	619,792	423,070	1,229,830	808,305
Trailing	418,295	363,976	856,014	725,187
Total commission	1,038,087	787,046	2,085,844	1,533,492
Asset-based:				
Client cash	397,332	341,475	789,363	693,857
Other asset-based	305,015	259,533	608,225	507,872
Total asset-based	702,347	601,008	1,397,588	1,201,729
Service and fee	151,839	135,000	297,038	267,172
Interest income, net	76,941	47,478	120,792	91,003
Transaction	60,541	58,935	128,405	116,193
Other	87,532	14,139	68,382	66,799
Total revenue	3,835,025	2,931,769	7,505,032	5,764,362
EXPENSE				
Advisory and commission	2,483,165	1,819,027	4,837,090	3,552,514
Compensation and benefits	319,100	274,000	624,646	548,369
Promotional	177,552	136,125	323,197	262,744
Interest expense on borrowings	105,636	64,341	191,498	124,423
Depreciation and amortization	96,231	70,999	188,587	138,157
Occupancy and equipment	81,443	69,529	158,683	135,793
Amortization of other intangibles	46,103	30,607	89,624	60,159
Brokerage, clearing and exchange	43,290	32,984	87,428	63,516
Professional services	41,092	22,100	77,418	35,379
Communications and data processing	21,417	19,406	40,923	39,150
Other	51,192	62,580	99,881	99,895
Total expense	3,466,221	2,601,698	6,718,975	5,060,099
INCOME BEFORE PROVISION FOR INCOME TAXES	368,804	330,071	786,057	704,263
PROVISION FOR INCOME TAXES	95,555	86,271	194,235	171,699
NET INCOME	\$ 273,249	\$ 243,800	\$ 591,822	\$ 532,564
EARNINGS PER SHARE				
Earnings per share, basic	\$ 3.42	\$ 3.26	\$ 7.66	\$ 7.13
Earnings per share, diluted	\$ 3.40	\$ 3.23	\$ 7.61	\$ 7.05
Weighted-average shares outstanding, basic	79,984	74,725	77,307	74,644
Weighted-average shares outstanding, diluted	80,373	75,548	77,760	75,529

See notes to unaudited condensed consolidated financial statements.

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

ASSETS	June 30, 2025	December 31, 2024
Cash and equivalents	\$ 4,185,337	\$ 967,079
Cash and equivalents segregated under federal or other regulations	1,611,200	1,597,249
Restricted cash	116,675	119,724
Receivables from clients, net	710,463	633,834
Receivables from brokers, dealers and clearing organizations	129,490	76,545
Advisor loans, net	2,536,190	2,281,088
Other receivables, net	951,063	902,777
Investment securities	139,962	57,481
Property and equipment, net	1,278,991	1,210,027
Goodwill	2,213,393	2,172,873
Other intangibles, net	1,641,133	1,482,988
Other assets	1,959,779	1,815,739
Total assets	\$ 17,473,676	\$ 13,317,404
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Client payables	\$ 2,090,520	\$ 1,898,665
Payables to brokers, dealers and clearing organizations	273,593	129,228
Accrued advisory and commission expenses payable	303,614	323,996
Corporate debt and other borrowings, net	7,175,032	5,494,724
Accounts payable and accrued liabilities	556,086	588,450
Other liabilities	2,000,415	1,951,739
Total liabilities	12,399,260	10,386,802
Commitments and contingencies (Note 10)		
Common stock, \$0.001 par value; 600,000,000 shares authorized; 136,603,206 and 130,914,541 shares issued at June 30, 2025 and December 31, 2024, respectively	136	131
Additional paid-in capital	3,787,009	2,066,268
Treasury stock, at cost — 56,599,471 and 56,253,909 shares at June 30, 2025 and December 31, 2024, respectively	(4,332,275)	(4,202,322)
Retained earnings	5,619,546	5,066,525
Total stockholders' equity	5,074,416	2,930,602
Total liabilities and stockholders' equity	\$ 17,473,676	\$ 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 June 30, 2024

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — March 31, 2024	130,705	\$ 131	\$ 2,016,666	55,999	\$ (4,101,055)	\$ 4,354,139	\$ 2,269,881
Net income	—	—	—	—	—	243,800	243,800
Issuance of common stock to settle restricted stock units	15	—	—	6	(1,589)	—	(1,589)
Treasury stock purchases	—	—	—	—	—	—	—
Cash dividends on common stock - \$0.30 per share	—	—	—	—	—	(22,422)	(22,422)
Stock option exercises and other	27	—	901	(20)	689	3,438	5,028
Share-based compensation	—	—	20,649	—	—	—	20,649
BALANCE — June 30, 2024	130,747	\$ 131	\$ 2,038,216	55,985	\$ (4,101,955)	\$ 4,578,955	\$ 2,515,347

Three Months Ended June 30, 2025

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — March 31, 2025	131,195	\$ 131	\$ 2,089,155	56,611	\$ (4,331,582)	\$ 5,366,079	\$ 3,123,783
Net income	—	—	—	—	—	273,249	273,249
Issuance of common stock to settle restricted stock units	25	—	—	3	(1,475)	—	(1,475)
Treasury stock purchases	—	—	—	—	240	—	240
Cash dividends on common stock - \$0.30 per share	—	—	—	—	—	(23,998)	(23,998)
Stock option exercises and other	(8)	—	316	(15)	542	4,216	5,074
Share-based compensation	—	—	20,322	—	—	—	20,322
Equity issuance	5,391	5	1,877,216	—	—	—	1,877,221
BALANCE — June 30, 2025	136,603	\$ 136	\$ 3,787,009	56,599	\$ (4,332,275)	\$ 5,619,546	\$ 5,074,416

Six Months Ended June 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	—	—	—	—	—	532,564	532,564
Issuance of common stock to settle restricted stock units	368	—	—	150	(39,318)	—	(39,318)
Treasury stock purchases	—	—	—	296	(70,005)	—	(70,005)
Cash dividends on common stock - \$0.60 per share	—	—	—	—	—	(44,833)	(44,833)
Stock option exercises and other	146	1	6,548	(38)	1,317	6,110	13,976
Share-based compensation	—	—	43,984	—	—	—	43,984
BALANCE — June 30, 2024	130,747	\$ 131	\$ 2,038,216	55,985	\$ (4,101,955)	\$ 4,578,955	\$ 2,515,347

Six Months Ended June 30, 2025

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount		
BALANCE — December 31, 2024	130,915	\$ 131	\$ 2,066,268	56,254	\$ (4,202,322)	\$ 5,066,525	\$ 2,930,602
Net income	—	—	—	—	—	591,822	591,822
Issuance of common stock to settle restricted stock units	237	—	—	86	(31,001)	—	(31,001)
Treasury stock purchases	—	—	—	289	(100,004)	—	(100,004)
Cash dividends on common stock - \$0.60 per share	—	—	—	—	—	(46,390)	(46,390)
Stock option exercises and other	60	—	3,955	(30)	1,052	7,589	12,596
Share-based compensation	—	—	39,570	—	—	—	39,570
Equity issuance	5,391	5	1,877,216	—	—	—	1,877,221
BALANCE — June 30, 2025	136,603	\$ 136	\$ 3,787,009	56,599	\$ (4,332,275)	\$ 5,619,546	\$ 5,074,416

See notes to unaudited condensed consolidated financial statements.

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

	Six Months Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 591,822	\$ 532,564
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	188,587	138,157
Amortization of other intangibles	89,624	60,159
Amortization of debt issuance costs	14,581	5,486
Share-based compensation	39,570	43,984
Provision for credit losses	3,195	9,594
Deferred benefit for income taxes	(178)	(65)
Change in estimated fair value of contingent consideration	6,903	—
Loan forgiveness	187,555	132,993
Other	4,998	33,463
Changes in operating assets and liabilities:		
Receivables from clients, net	(75,781)	25,330
Receivables from brokers, dealers and clearing organizations	(52,945)	(24,363)
Advisor loans, net	(449,518)	(416,481)
Other receivables, net	(67,956)	(25,181)
Investment securities - trading	(82,142)	2,862
Other assets	(189,883)	(151,553)
Client payables	191,855	(302,188)
Payables to brokers, dealers and clearing organizations	144,365	49,057
Accrued advisory and commission expenses payable	(20,382)	23,829
Accounts payable and accrued liabilities	(32,394)	(44,545)
Other liabilities	40,873	155,513
Operating leases	361	(1,583)
Net cash provided by operating activities	533,110	247,032
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(256,457)	(249,946)
Acquisitions, net of cash acquired	(190,129)	(125,244)
Purchases of securities classified as held-to-maturity	(2,498)	(3,565)
Proceeds from maturities of securities classified as held-to-maturity	2,500	2,500
Capitalized interest	(3,044)	—
Net cash used in investing activities	(449,628)	(376,255)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facilities	69,000	280,000
Repayments of revolving credit facilities	(1,116,000)	(560,000)
Repayment of senior secured term loans	—	(5,350)

Continued on following page

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

	Six Months Ended June 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	(33,207)	(48,563)
Tax payments related to settlement of restricted stock units	(31,001)	(39,318)
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	(46,390)	(44,833)
Proceeds from stock option exercises and other	12,596	13,976
Principal payment of financing obligation	(222)	—
Principal payment of finance leases and obligations	(209)	(178)
Net cash provided by financing activities	3,145,678	506,722
NET INCREASE IN CASH AND EQUIVALENTS, CASH AND EQUIVALENTS SEGREGATED UNDER FEDERAL OR OTHER REGULATIONS AND RESTRICTED CASH	3,229,160	377,499
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	\$ 5,913,212	\$ 2,958,662
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	\$ 158,996	\$ 118,103
Income taxes paid	\$ 302,972	\$ 198,037
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 17,596	\$ 14,284
Cash paid for amounts included in the measurement of finance lease liabilities	\$ 213	\$ 4,351
NONCASH DISCLOSURES:		
Capital expenditures included in accounts payable and accrued liabilities	\$ 33,822	\$ 43,131
Lease assets obtained in exchange for operating lease liabilities	\$ 30,235	\$ 8,884
Prefunded acquisition	\$ 70,202	\$ —
Contingent consideration liabilities recognized at acquisition date	\$ (9,245)	\$ 40,380
	June 30,	
	2025	2024
Cash and equivalents	\$ 4,185,337	\$ 1,318,894
Cash and equivalents segregated under federal or other regulations	1,611,200	1,530,150
Restricted cash	116,675	109,618
Total cash and equivalents, cash and equivalents segregated under federal or other regulations and restricted cash shown in the statements of cash flows	\$ 5,913,212	\$ 2,958,662

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.

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,

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

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 or Adopted Accounting Pronouncements

There are no relevant recently issued accounting pronouncements that would materially impact the Company's condensed consolidated financial statements and related disclosures. There were no new accounting pronouncements adopted during the six months ended June 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 makes permanent certain elements of the Tax Cuts and Jobs Act, including accelerated tax deductions for qualified property and research expenditures, and the business interest expense limitation. We are currently assessing the Act's impact on our consolidated financial statements.

NOTE 3 - REVENUE

Commission

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Commission revenue				
Annuities	\$ 629,763	\$ 469,100	\$ 1,245,357	\$ 905,573
Mutual funds	223,317	187,432	457,213	373,972
Fixed income	53,014	53,192	114,566	101,833
Equities	47,811	34,434	96,885	69,885
Other	84,182	42,888	171,823	82,229
Total commission revenue	\$ 1,038,087	\$ 787,046	\$ 2,085,844	\$ 1,533,492

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Commission revenue				
Sales-based				
Annuities	\$ 393,654	\$ 260,188	\$ 759,421	\$ 489,265
Fixed income	53,014	53,192	114,566	101,833
Mutual funds	52,301	42,981	107,908	86,477
Equities	47,811	34,434	96,885	69,885
Other	73,012	32,275	151,050	60,845
Total sales-based revenue	\$ 619,792	\$ 423,070	\$ 1,229,830	\$ 808,305
Trailing				
Annuities	\$ 236,109	\$ 208,912	\$ 485,936	\$ 416,308
Mutual funds	171,016	144,451	349,305	287,495
Other	11,170	10,613	20,773	21,384
Total trailing revenue	\$ 418,295	\$ 363,976	\$ 856,014	\$ 725,187
Total commission revenue	\$ 1,038,087	\$ 787,046	\$ 2,085,844	\$ 1,533,492

Asset-Based

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Asset-based revenue				
Client cash	\$ 397,332	\$ 341,475	\$ 789,363	\$ 693,857
Sponsorship programs	171,715	141,687	342,253	275,788
Recordkeeping	133,300	117,846	265,972	232,084
Total asset-based revenue	\$ 702,347	\$ 601,008	\$ 1,397,588	\$ 1,201,729

Service and Fee

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Service and fee revenue				
Over time ⁽¹⁾	\$ 113,003	\$ 105,543	\$ 222,761	\$ 208,079
Point-in-time ⁽²⁾	38,836	29,457	74,277	59,093
Total service and fee revenue	\$ 151,839	\$ 135,000	\$ 297,038	\$ 267,172

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

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

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

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 \$263.3 million as of June 30, 2025. The increase in unearned revenue for the six months ended June 30, 2025 is primarily driven by cash payments received or due in advance of satisfying the Company's performance obligations, partially offset by \$207.0 million of revenue recognized during the six months ended June 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.

NOTE 4 - ACQUISITIONS***Closed on the Acquisition of Commonwealth Financial Network ("Commonwealth")***

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, 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. Given the recency of the closing, the purchase accounting analysis has not yet been completed.

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 the LPL Holdings, Inc.'s revolving credit facility. 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, and on April 3, 2025, the Company completed the issuance of \$500.0 million in aggregate principal amount of 4.900% senior unsecured notes due 2028, \$500.0 million in aggregate principal amount of 5.150% senior unsecured notes due 2030 and \$500.0 million in aggregate principal amount of 5.750% senior unsecured notes due 2035. 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.

Other Acquisitions

During the six months ended June 30, 2025, the Company completed 21 acquisitions, 19 of which were completed under the Liquidity & Succession solution in which the Company buys advisor practices. Five of these acquisitions have been accounted for as business combinations and 16 have been accounted for as asset acquisitions.

Business Combinations***Acquisition of The Investment Center, Inc. ("The Investment Center")***

In March 2025, the Company acquired The Investment Center for total consideration of \$70.6 million, which included \$70.2 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 six months ended June 30, 2025, were \$2.5 million and \$4.8 million, respectively, primarily related to professional services which were classified as professional services expense and promotional expense in the Company's condensed consolidated statements of income. The Company recorded purchase accounting adjustments during the three months ended June 30, 2025 which resulted in a \$6.1 million decrease in other liabilities, a \$0.4 million decrease in advisor relationships, and a \$5.6 million decrease in goodwill. As of June 30, 2025, the Company had allocated \$43.5 million and \$27.1 million

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

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 \$68.0 million, which included \$58.3 million of cash, and liabilities of \$9.6 million for contingent consideration, which represents the acquisition date fair value of the additional cash consideration that may be transferred to the sellers if certain asset growth is achieved in the years following the closing. This contingent consideration may be settled for amounts up to \$44.1 million in the years following the closing. At June 30, 2025, the Company had provisionally allocated \$56.0 million of the consideration to client relationships, which were assigned a useful life of 14 years to 15 years, and \$11.7 million to goodwill.

Asset Acquisitions

The Company accounted for 16 other acquisitions as asset acquisitions. These transactions included total initial consideration of \$143.7 million, including \$141.7 million which was allocated to client relationships and \$2.0 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 \$94.1 million in the years following the closing if certain asset growth is achieved. The Company has not recognized a liability for these contingent payments as the amounts to be paid will be uncertain until a future measurement date. See Note 7 - *Goodwill and Other Intangibles, Net*, for additional information.

Acquisitions Completed in Prior Periods

Acquisition of Atria Wealth Solutions, Inc.

On October 1, 2024 ("acquisition date"), 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.

During the six months ended June 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, an \$8.7 million decrease in other liabilities, a \$0.4 million increase in deferred tax liabilities, and a \$2.0 million increase in accounts payable and accrued liabilities. These cumulative adjustments resulted in a \$2.9 million increase to goodwill.

The Company accounted for the acquisition under the acquisition method of accounting for business combinations. The following table summarizes the total consideration for the transaction at the acquisition date (dollars in thousands):

Total 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 provisional purchase price allocation at the acquisition date (dollars in thousands):

Provisional 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		25,273
Total identifiable assets acquired	\$	788,395
Liabilities		
Accrued advisory and commission expenses payable		32,756
Accounts payable and accrued liabilities		54,500
Deferred tax liabilities		112,320
Other liabilities		17,649
Total liabilities assumed	\$	217,225
Net assets acquired		571,170
Goodwill	\$	301,804

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. The purchase accounting analysis is ongoing and may result in changes to the value of certain tax related assets acquired and liabilities recorded.

Acquisition related costs incurred as part of the Atria acquisition during the three and six months ended June 30, 2025, were \$32.0 million and \$44.0 million, respectively, primarily related to professional services and conversion costs, which were classified as professional services expense and promotional expense, 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 six months ended June 30, 2025. For this period, total revenues attributable to Atria were approximately \$185.4 million and \$370.9 million, respectively, and net income was not material.

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 June 30,		Six Months Ended June 30,	
	2024		2024	
Total revenue	\$	3,137,194	\$	6,175,212
Net income	\$	219,703	\$	484,089

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

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

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 Acquisitions

During the twelve months ended December 31, 2024, the Company completed 23 other acquisitions, 22 of which were completed under the Liquidity & Succession solution in which the Company buys advisor practices. Certain of these acquisitions have been accounted for as business combinations and certain have been accounted for as asset acquisitions.

Business Combinations

The Company accounted for seven of these acquisitions under the acquisition method of accounting for business combinations. 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.

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

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

The Company's fair value measurements are evaluated within the fair value hierarchy, based on the nature of inputs used to determine the fair value at the measurement date. At June 30, 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 June 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 June 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.

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

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

performance targets specified in each respective acquisition agreement, which may include growth in assets under management, net new assets, asset conversion or retention, or revenue growth. Significant increases or decreases in the Company's forecasted growth rates over the measurement period or discount rates would result in a higher or lower fair value measurement.

The following tables summarize inputs used in the measurement of contingent consideration (dollars in thousands):

Quantitative Information About Level 3 Fair Value Measurements						
June 30, 2025	Type	Valuation Techniques	Unobservable Inputs	Range		
\$ 106,034	Contingent Consideration	Monte-Carlo Simulation Model	Forecasted Growth Rates	3.0 %	-	26.0 %
			Discount Rate	12.0 %	-	19.1 %
			Equivalency Rate ⁽¹⁾	4.8 %	-	6.1 %
18,815	Contingent Consideration	Probability Weighted Expected Return Method	Equivalency Rate ⁽¹⁾	5.3 %	-	5.3 %
			Conversion Rate	— %	-	100.0 %
<u>\$ 124,849</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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Balance - Beginning of period	\$ 161,372	\$ 87,262	\$ 196,898	\$ 118,844
Additions and purchase accounting adjustments	(9,374)	20,462	(9,245)	40,380
Payments	(27,458)	(2,500)	(69,707)	(54,000)
Fair value adjustments	309	24,624	6,903	24,624
Balance - End of period	<u>\$ 124,849</u>	<u>\$ 129,848</u>	<u>\$ 124,849</u>	<u>\$ 129,848</u>

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

Recurring Fair Value Measurements

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

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents	\$ 802,440	\$ —	\$ —	802,440
Cash equivalents segregated under federal or other regulations	647,455	—	—	647,455
Restricted cash	111,713	—	—	111,713
Investment securities — trading:				
U.S. treasury obligations	109,419	—	—	109,419
Mutual funds	14,900	—	—	14,900
Money market funds	123	—	—	123
Equity securities	168	—	—	168
Debt securities	—	29	—	29
Total investment securities — trading	124,610	29	—	124,639
Other assets:				
Deferred compensation plan	956,489	—	—	956,489
Fractional shares — investment ⁽¹⁾	313,399	—	—	313,399
Other investments	—	2,313	—	2,313
Total other assets:	1,269,888	2,313	—	1,272,201
Total assets at fair value	\$ 2,956,106	\$ 2,342	\$ —	2,958,448
Liabilities				
Other liabilities:				
Securities sold, but not yet purchased:				
Equity securities	\$ 181	\$ —	\$ —	181
Mutual funds	17	—	—	17
Debt securities	—	12	—	12
Total securities sold, but not yet purchased	198	12	—	210
Fractional shares — repurchase obligation ⁽¹⁾	313,399	—	—	313,399
Contingent consideration	—	—	124,849	124,849
Total other liabilities	313,597	12	124,849	438,458
Total liabilities at fair value	\$ 313,597	\$ 12	\$ 124,849	438,458

(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.

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

Fair Value of Financial Instruments Not Measured at Fair Value

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

June 30, 2025	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets					
Cash	\$ 3,382,897	\$ 3,382,897	\$ —	\$ —	3,382,897
Cash segregated under federal or other regulations	963,745	963,745	—	—	963,745
Restricted cash	4,962	4,962	—	—	4,962
Receivables from clients, net	710,463	—	710,463	—	710,463
Receivables from brokers, dealers and clearing organizations	129,490	—	129,490	—	129,490
Advisor repayable loans, net ⁽¹⁾	374,346	—	—	300,384	300,384
Other receivables, net	951,063	—	951,063	—	951,063
Investment securities — held-to-maturity securities	15,323	—	15,395	—	15,395
Other assets:					
Securities borrowed	8,146	—	8,146	—	8,146
Deferred compensation plan ⁽²⁾	10,404	10,404	—	—	10,404
Other investments ⁽³⁾	8,332	—	8,332	—	8,332
Total other assets	26,882	10,404	16,478	—	26,882
Liabilities					
Client payables	\$ 2,090,520	\$ —	\$ 2,090,520	\$ —	2,090,520
Payables to brokers, dealers and clearing organizations	273,593	—	273,593	—	273,593
Corporate debt and other borrowings, net	7,175,032	—	7,284,719	—	7,284,719
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.

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

NOTE 6 - INVESTMENT SECURITIES

The Company's investment securities include debt and equity securities that the Company has classified as trading securities, which are carried at fair value, as well as investments in U.S. government notes, which are held by PTC to satisfy minimum capital requirements of the Office of the Comptroller of the Currency. 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):

	June 30, 2025	December 31, 2024
Trading securities — at fair value:		
U.S. treasury obligations	\$ 109,419	\$ 28,511
Mutual funds	14,900	13,627
Money market funds	123	110
Equity securities	168	8
Debt securities	29	11
Total trading securities	<u>\$ 124,639</u>	<u>\$ 42,267</u>
Held-to-maturity securities — at amortized cost:		
U.S. government notes	\$ 15,323	\$ 15,214
Total held-to-maturity securities	<u>\$ 15,323</u>	<u>\$ 15,214</u>
Total investment securities	<u>\$ 139,962</u>	<u>\$ 57,481</u>

At June 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	\$ 5,071	\$ 10,252	\$ —	\$ —	\$ 15,323
U.S. government notes — at fair value	\$ 5,064	\$ 10,331	\$ —	\$ —	\$ 15,395

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	2,172,873
Purchase accounting adjustments	(3,921)
Goodwill acquired	44,441
Balance at June 30, 2025	<u>\$ 2,213,393</u>

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

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

The components of other intangibles, net were as follows at June 30, 2025 (in thousands):

	Weighted-Average Life Remaining (in years)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-lived intangibles, net⁽¹⁾:				
Advisor and institution relationships	13.3	\$ 1,652,596	\$ (754,196)	898,400
Client relationships	12.7	797,377	(108,477)	688,900
Product sponsor relationships	0.9	234,086	(226,677)	7,409
Technology	6.7	20,930	(14,325)	6,605
Total definite-lived intangible assets, net		\$ 2,704,989	\$ (1,103,675)	1,601,314
Other indefinite-lived intangibles:				
Trademark and trade name				39,819
Total other intangibles, net				\$ 1,641,133

(1) During the six months ended June 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 \$46.1 million and \$30.6 million for the three months ended June 30, 2025 and 2024, respectively, and \$89.6 million and \$60.2 million for the six months ended June 30, 2025 and 2024, respectively. Future amortization is estimated as follows (in thousands):

2025 - remainder	\$ 89,562
2026	142,433
2027	137,284
2028	131,492
2029	122,814
Thereafter	977,729
Total	\$ 1,601,314

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

NOTE 8 - OTHER ASSETS AND OTHER LIABILITIES

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

	June 30, 2025	December 31, 2024
Other assets:		
Deferred compensation	\$ 966,893	\$ 865,585
Prepaid assets	213,917	194,690
Fractional shares — investment	313,399	278,683
Deferred tax assets, net	129,659	129,902
Operating lease assets	133,990	119,144
Referral fee	98,663	85,780
Debt issuance costs, net	12,981	14,154
Other	90,277	127,801
Total other assets	<u>\$ 1,959,779</u>	<u>\$ 1,815,739</u>
Other liabilities:		
Deferred compensation	\$ 961,346	\$ 862,698
Unearned revenue	263,285	207,563
Fractional shares — repurchase obligation	313,399	278,683
Operating lease liabilities	163,365	147,718
Finance lease liabilities	—	105,123
Financing obligation liabilities	109,096	—
Taxes payable	60,040	134,815
Contingent consideration	124,849	196,898
Other	5,035	18,241
Total other liabilities	<u>\$ 2,000,415</u>	<u>\$ 1,951,739</u>

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.

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

NOTE 9 - CORPORATE DEBT AND OTHER BORROWINGS, NET

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

Corporate Debt	June 30, 2025			December 31, 2024			
	Balance	Applicable Margin	Interest Rate	Balance	Applicable Margin	Interest rate	Maturity
Term Loan A ⁽¹⁾	\$ 1,020,000	SOFRR+147.5 bps	5.791 %	\$ 1,020,000	SOFRR+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	(44,968)			(22,276)			
Corporate debt, net	\$ 7,175,032			\$ 4,447,724			
Other Borrowings							
Revolving Credit Facility	—	ABR+37.5 bps / SOFR+147.5 bps	5.797 %	1,047,000	ABR+37.5 bps / SOFR+147.5 bps	6.007 %	5/20/2029
Total other borrowings	\$ —			\$ 1,047,000			
Corporate Debt and Other Borrowings, Net	\$ 7,175,032			\$ 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 June 30, 2025 (in millions):

Description	Borrower	Maturity Date	Outstanding	Available
Senior unsecured, revolving credit facility	LPL Holdings, Inc.	May 2029	\$ —	\$ 2,250
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 2025	\$ —	\$ 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.

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

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

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

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

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

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

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

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

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

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

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
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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 June 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 June 30, 2025.

Other External Lines of Credit

LPL Financial maintained five uncommitted lines of credit as of June 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 June 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.

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Loan Commitments

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

	Six Months Ended June 30,	
	2025	2024
Beginning balance — January 1	\$ 79,637	\$ 82,883
Losses incurred	19,275	18,611
Losses paid	(11,891)	(20,339)
Ending balance — June 30	\$ 87,021	\$ 81,155

Other Commitments

As of June 30, 2025, the Company had approximately \$642.2 million of client margin loans that were collateralized with securities having a fair value of approximately \$899.1 million that LPL Financial can repledge, loan or sell. Of these securities, approximately \$507.6 million were client-owned securities pledged to the Options Clearing Corporation as collateral to secure client obligations related to options positions. As of June 30, 2025, there were no restrictions that materially limited the Company's ability to repledge, loan or sell the remaining \$391.5 million of client collateral.

Investment securities on the condensed consolidated statements of financial condition include \$10.0 million and \$8.5 million of trading securities pledged to the Options Clearing Corporation at June 30, 2025 and December 31, 2024, respectively, and \$24.9 million and \$20.0 million of trading securities pledged to the National Securities Clearing Corporation at June 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

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 six months ended June 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 June 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 11,610,977 shares remaining available for future issuance at June 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 six months ended June 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	(65,960)	\$ 59.49		
Forfeited and Expired	—	\$ —		
Outstanding — June 30, 2025	<u>69,550</u>	<u>62.58</u>	2.69	<u>\$ 21,727</u>
Exercisable — June 30, 2025	<u>69,550</u>	<u>62.58</u>	2.69	<u>\$ 21,727</u>
Exercisable and expected to vest — June 30, 2025	<u>69,550</u>	<u>62.58</u>	2.69	<u>\$ 21,727</u>

The following table summarizes information about outstanding stock options and warrants as of June 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	4,494	\$ 19.85	0.66	4,494	\$ 19.85
\$25.01 - \$35.00	—	\$ —	0.00	—	\$ —
\$35.01 - \$45.00	14,995	\$ 39.48	1.70	14,995	\$ 39.48
\$45.01 - \$65.00	—	\$ —	0.00	—	\$ —
\$65.01 - \$75.00	17,461	\$ 65.50	2.57	17,461	\$ 65.50
\$75.01 - \$80.00	32,600	\$ 77.53	3.49	32,600	\$ 77.53
	<u>69,550</u>	<u>\$ 62.58</u>	<u>2.69</u>	<u>69,550</u>	<u>\$ 62.58</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 six months ended June 30, 2025 or 2024. As of June 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 six months ended June 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	\$ 232.77
Granted	1,820	\$ 372.50	303,425	\$ 364.87
Vested	(6,907)	\$ 277.90	(230,118)	\$ 239.59
Forfeited	—	\$ —	(23,719)	\$ 317.62
Outstanding — June 30, 2025	1,204	\$ 372.50	672,152 ⁽¹⁾	\$ 287.07
Expected to vest — June 30, 2025	1,204	\$ 372.50	504,951	\$ 317.62

(1) Includes 97,456 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 \$16.8 million and \$17.3 million of share-based compensation expense related to the vesting of these restricted stock awards and stock units during the three months ended June 30, 2025 and 2024, respectively, and \$32.6 million and \$37.6 million during the six months ended June 30, 2025 and 2024, respectively. As of June 30, 2025, total unrecognized compensation cost for restricted stock awards and stock units was \$134.4 million, which is expected to be recognized over a weighted-average remaining period of 2.2 years.

The Company also grants restricted stock units to its advisors and to institutions. The Company recognized share-based compensation expense of \$0.8 million and \$0.7 million related to the vesting of these awards during the three months ended June 30, 2025 and 2024, respectively, and \$1.7 million and \$1.4 million during the six months ended June 30, 2025 and 2024, respectively. As of June 30, 2025, total unrecognized compensation cost for restricted stock units granted to advisors and institutions was \$5.2 million, which is expected to be recognized over a weighted-average remaining period of 1.9 years.

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

NOTE 13 - EARNINGS PER SHARE

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 273,249	\$ 243,800	\$ 591,822	\$ 532,564
Basic weighted-average number of shares outstanding	79,984	74,725	77,307	74,644
Dilutive common share equivalents	389	823	453	885
Diluted weighted-average number of shares outstanding	80,373	75,548	77,760	75,529
Basic earnings per share	\$ 3.42	\$ 3.26	\$ 7.66	\$ 7.13
Diluted earnings per share	\$ 3.40	\$ 3.23	\$ 7.61	\$ 7.05

The computation of diluted earnings per share excludes stock options, warrants and stock units that are anti-dilutive. For the three months ended June 30, 2025 and 2024, stock options, warrants and stock units representing common share equivalents of 88,002 shares and 5,174 shares, respectively, were anti-dilutive. For the six months ended June 30, 2025 and 2024, stock options, warrants and stock units representing common share equivalents of 60,876 shares and 3,568 shares, respectively, were anti-dilutive.

NOTE 14 - NET CAPITAL AND REGULATORY REQUIREMENTS

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

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

	June 30, 2025
LPL Financial LLC	
Net capital	\$ 758,712
Less: required net capital	22,909
Excess net capital	\$ 735,803

Our other regulated subsidiaries, including LPL Enterprise, Atria's seven introducing broker-dealer subsidiaries, and PTC, are also subject to various regulatory capital requirements. Failure to meet the respective minimum capital requirements can result in certain mandatory and discretionary actions by regulators that, if undertaken, could have substantial monetary and non-monetary impacts on their operations. As of June 30, 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, 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 August 29, 2025 to all stockholders of record on August 15, 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 June 30, 2025, the fair value of our trading securities was \$124.6 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 \$1.3 billion as of June 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 June 30, 2025, \$1.0 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 June 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	—	—	—	—	—
Variable Rate Debt Outstanding	\$ 1,020,000	\$ 1,020	\$ 2,550	\$ 5,100	\$ 10,200

(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 six months ended June 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 second quarter ended June 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 June 30, 2025, none 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.

Item 6. Exhibits

- 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).
- 4.1 Sixth Supplemental Indenture, dated April 3, 2025, among LPL Holdings, Inc., LPL Financial Holdings Inc., as the Guarantor, and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to the Form 8-K filed on April, 3 2025, File No. 001-34963).
- 4.2 Seventh Supplemental Indenture, dated April 3, 2025, among LPL Holdings, Inc., LPL Financial Holdings Inc., as the Guarantor, and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to the Form 8-K filed on April, 3 2025, File No. 001-34963).
- 4.3 Eighth Supplemental Indenture, dated April 3, 2025, among LPL Holdings, Inc., LPL Financial Holdings Inc., as the Guarantor, and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to the Form 8-K filed on April, 3 2025, File No. 001-34963).
- 10.1 LPL Financial Holdings Inc. Non-Employee Director Compensation Policy, as amended May 22, 2025.*
- 10.2 LPL Financial LLC Executive Severance Plan, amended and restated as of May 9, 2025.*
- 22.1 List of Subsidiary Guarantors and Issuers of Guaranteed Securities.*
- 31.1 Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).*
- 31.2 Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).*
- 32.1 Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
- 32.2 Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
- 101.SCH Inline XBRL Taxonomy Extension Schema*
- 101.CAL Inline XBRL Taxonomy Extension Calculation*
- 101.LAB Inline XBRL Taxonomy Extension Label*
- 101.PRE Inline XBRL Taxonomy Extension Presentation*
- 101.DEF Inline XBRL Taxonomy Extension Definition*
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

SIGNATURES

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

LPL Financial Holdings Inc.

Date: August 4, 2025

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

Date: August 4, 2025

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

Date: August 4, 2025

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

LPL FINANCIAL HOLDINGS INC.
Non-Employee Director Compensation Policy

Annual Retainer

- All non-employee directors receive an annual retainer of \$310,000, which is paid in advance on the next business day following the Company's annual meeting of stockholders (the "Annual Payment Date"). Of this amount, \$105,000 is paid in a lump sum in cash and \$205,000 is paid in the form of restricted shares of the Company's common stock (the "Common Stock").
- The restricted shares are issued under the Company's 2021 Omnibus Equity Incentive Plan (the "2021 Plan") and vest in full on the date immediately prior to the date of the Company's next annual meeting of stockholders (the "Vesting Date"). The number of restricted shares is determined by dividing \$205,000 by the average of the closing price per share of the Common Stock on The NASDAQ Stock Market for the trailing thirty consecutive trading days inclusive of the Annual Payment Date (the "Grant Price"), rounded down to the nearest whole share.
- In lieu of the above cash payment, a non-employee director may make an election (an "Election") to be issued, on the Annual Payment Date, a number of shares of the Common Stock under the 2021 Plan determined by dividing \$105,000 by the Grant Price, rounded down to the nearest whole share. An Election must be delivered in writing (including electronic mail) prior to the Annual Payment Date during an open trading window under the Company's insider trading policy.

Additional Service Retainers

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

	<u>Chair</u>	<u>Each Other Member</u>
Audit Committee	\$30,000	\$15,000
Compensation and Human Resources Committee	\$25,000	\$12,500
Nominating and Governance Committee	\$20,000	\$10,000

- The Chair of the Board receives an additional annual service retainer of \$140,000, paid in cash in quarterly installments following the end of each quarter of service.

Newly Elected Directors

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

- The cash portion of the Pro-Rated Retainer will be calculated by multiplying \$105,000 by a fraction, the numerator of which is the number of full months between the Election Payment Date and the Vesting Date and the denominator of which is 12 (the "Cash Amount").

- The number of restricted shares to be issued will be determined by (i) multiplying \$205,000 by a fraction, the numerator of which is the number of full months between the Election Payment Date and the Vesting Date and the denominator of which is 12, and (ii) dividing such product by the average of the closing price per share of the Common Stock on The NASDAQ Stock Market for the trailing thirty consecutive trading days inclusive of the Election Payment Date, rounded down to the nearest whole share. The restricted shares will be issued under the 2021 Plan and vest in full on the Vesting Date.
- In lieu of the above cash payment, a non-employee director may make an election to be issued, on the Election Payment Date, a number of shares of Common Stock under the 2021 Plan determined by dividing the Cash Amount by the average of the closing price per share of the Common Stock on The NASDAQ Stock Market for the trailing thirty consecutive trading days inclusive of the Election Payment Date, rounded down to the nearest whole share. Such an election must be delivered in writing (including electronic mail) on or prior to the date of the director's election to the Board of Directors.

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

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

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

Effective as of May 22, 2025

LPL FINANCIAL LLC
EXECUTIVE SEVERANCE PLAN
Amended and Restated as of May 9, 2025

Introduction

The purpose of this Plan is to enable the Company and its Affiliates to offer certain protections to senior executives in a position designated as Management Level 13 or 14 in the event their employment with the Company or an Affiliate terminates.

Accordingly, the Board has adopted the Plan effective on the Effective Date (as herein defined) and as amended and restated as of May 9, 2025, for select senior executives in an effort to assist in replacing the loss of income caused by a termination of employment under the circumstances described herein.

The Plan supersedes any and all severance plans, policies and/or practices of the Company and any of its Affiliates in effect for Eligible Employees. The Severance Benefits payable under this Plan as herein amended and restated shall apply to Qualifying Terminations on and after the Amendment Date. For the avoidance of doubt, the Severance Benefits payable under this Plan as a result of a Qualifying Termination prior to the Effective Date shall be governed by the terms and conditions of the Plan as in effect on the date of such Qualifying Termination.

The Plan is intended to alleviate some of the financial hardship that Eligible Employees may experience when their employment is terminated for a reason covered by the Plan. The Severance Benefits are intended to be supplemental unemployment benefits. The Severance Benefits are not intended to be deferred compensation and no individual shall have a legally binding right to such benefits.

The Company, as the Plan sponsor, has the sole discretion to determine whether an employee may be considered eligible for Severance Benefits under the Plan. All actions taken by the Company shall be in its role as the sponsor of the Plan, and not as a fiduciary. Nothing in the Plan will be construed to give any employee the right to continue in the employment of the Company or any of its Affiliates or any of its or their subsidiaries or to receive severance payments upon a termination of employment. The Plan is unfunded, has no trustee, and is administered by the Compensation and Human Resources Committee of the Board (or such other committee appointed by the Board for purposes of administering the Plan). The Plan is intended to be an "employee welfare benefit plan" (within the meaning of section 3(1) of ERISA) maintained for the purpose of providing benefits for a select group of management or highly compensated employees and it shall be administered and construed accordingly.

All capitalized terms in this Introduction shall have the meaning ascribed to them in Article 2 below.

Article 1. Establishment, Term and Purpose

1.1. Establishment of the Plan. The Company has established the "LPL Financial LLC Executive Severance Plan," effective as of the Effective Date.

1.2. Term of the Plan. The Plan, as set forth herein, is effective as of the Effective Date and will continue until terminated or amended by action of the Board or the Committee in accordance with Section 12.5.

1.3. Purpose of the Plan. The purpose of the Plan is to provide Eligible Employees Severance Benefits in the event of a Qualifying Termination.

Article 2. Definitions

When used in the Plan, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

- 2.1. "Accrued Compensation"** means (i) an Eligible Employee's Base Salary earned or accrued but unpaid through the Eligible Employee's Separation Date, to the extent not previously paid; (ii) reimbursement for reasonable business expenses incurred in the ordinary course of the Eligible Employee's duties and unreimbursed prior to the Eligible Employee's Separation Date and payable in accordance with Company policies as in effect from time to time; provided, however, that claims for such reimbursement are submitted to the Company or an Affiliate within 60 days following the Eligible Employee's Separation Date; and (iii) such employee benefits, if any, as to which the Eligible Employee may be entitled under the employee benefit plans of the Company or any of its Affiliates.
- 2.2. "Administrator"** means the Committee or an individual delegated by the Committee to exercise some or all of its authority in administering the Plan in accordance with the terms of the Plan.
- 2.3. "Affiliates"** means all persons and entities directly or indirectly controlling, controlled by or under common control with the Company, where control may be by management authority, contract or equity interest.
- 2.4. "Amendment Date"** means May 9, 2025, the date on which the amended and restated Plan was approved by the Committee.
- 2.5. "Base Salary"** means an Eligible Employee's annual base salary at the rate in effect on the Separation Date.
- 2.6. "Beneficiary"** means a Participant's estate.
- 2.7. "Board"** means the Board of Directors of LPL Financial Holdings Inc.
- 2.8. "Cause"** means an Eligible Employee's: (i) willful and continued failure to perform, or gross negligence or willful misconduct in the performance of, his or her material duties with respect to the Company or an Affiliate which, if curable, continues beyond ten (10) business days after a written demand for substantial performance is delivered to such Eligible Employee by the Company; (ii) conviction of, or a plea of nolo contendere to, a crime constituting a felony under the laws of the United States or any state thereof; (iii) committing or engaging in any act of fraud, embezzlement, theft or other act of dishonesty that causes material injury, monetarily or otherwise, to the Company or an Affiliate; (iv) breach of Sections 6.1, 6.2 or 6.3 of this Plan; (v) violation of the code of conduct of the Company or its subsidiaries or any policy of the Company or its subsidiaries, or of any statutory or common law duty of loyalty to the Company or its subsidiaries or (vi) other conduct that could reasonably be expected to be harmful to the business, interests or reputation of the Company.
- 2.9. "Change in Control"** means the consummation, after the Amendment Date, of (i) any transaction or series of related transactions, whether or not Holdings is party thereto, after giving effect to which in excess of 50% of Holdings' voting power is owned directly, or indirectly through one or more

entities, by any person and its “affiliates” or “associates” (as such terms are defined in the Exchange Act) or any “group” (as defined in the Exchange Act) other than, in each case, Holdings or an Affiliate of Holdings immediately following the Amendment Date or (ii) a sale or other disposition of all or substantially all of the consolidated assets of Holdings (each of the foregoing, a “Business Combination”), provided that, notwithstanding the foregoing, a Change in Control shall not be deemed to occur as a result of a Business Combination following which the individuals or entities who were beneficial owners of the outstanding securities entitled to vote generally in the election of directors of Holdings immediately prior to such Business Combination beneficially own, directly or indirectly, 50% or more of the outstanding securities entitled to vote generally in the election of directors of the resulting, surviving or acquiring corporation in such transaction.

2.10. “Change in Control Qualifying Termination” means a Qualifying Termination of an Eligible Employee who holds, as of the Separation Date, a position designated as Management Level 13 or 14, within the 12-month period following the date of the consummation of a Change in Control.

2.11. “Change in Control Severance Period” means, in the case of a Participant who experiences a Change in Control Qualifying Termination, the 18-month period following the Separation Date.

2.12. “COBRA” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as from time to time amended and in effect.

2.13. “Code” means the Internal Revenue Code of 1986, as from time to time amended and in effect.

2.14. “Committee” means the Compensation and Human Resources Committee of the Board, or any other committee appointed by the Board to perform the functions of the Compensation and Human Resources Committee.

2.15. “Company” means LPL Financial LLC or any successor thereto.

2.16. “Disability” means a physical or mental incapacity or disability of an Eligible Employee that renders the Eligible Employee unable to substantially perform all of his or her duties and responsibilities to the Company and its Affiliates (with or without any reasonable accommodation) (i) for 120 days in any 12-month period or (ii) for a period of 90 successive days in any 12-month period. If any question arises as to whether an Eligible Employee has a Disability, then at the request of the Administrator the Eligible Employee shall submit to a medical examination by a qualified third-party health care provider selected by the Administrator to whom the Eligible Employee or his or her duly appointed guardian, if any, has no reasonable objection to determine whether the Eligible Employee has a Disability and such determination shall be conclusive of the issue for the purposes of this Plan. If such question shall arise and the Eligible Employee shall fail to submit to such medical examination, the Administrator’s determination of the issue shall be conclusive of the issue for the purposes of this Plan.

2.17. “Effective Date” means November 23, 2010.

2.18. “Eligible Employee” means each senior executive of the Company or an Affiliate in a position designated as Management Level 13 or 14 who has not, as of the Separation Date, entered into a contract providing for severance payments (other than a Separation Agreement entered into pursuant to this Plan) with the Company or an Affiliate.

- 2.19. **“ERISA”** means the Employee Retirement Income Security Act of 1974, as from time to time amended and in effect.
- 2.20. **“Exchange Act”** means the Securities Exchange Act of 1934, as from time to time amended and in effect, and the rules and regulations thereunder.
- 2.21. **“Good Reason”** means only the occurrence, without the Eligible Employee’s express written consent, of any of the events or conditions described herein, provided that, the Eligible Employee shall deliver written notice to the Company or an applicable Affiliate of the occurrence of Good Reason within 90 days following the date on which the Eligible Employee first knew or reasonably should have known of such occurrence and the Company or the applicable Affiliate shall not have fully corrected the situation within 30 days following delivery of such notice. The following occurrences shall constitute Good Reason for purposes of this Plan: (i) a material reduction in the Eligible Employee’s annual base salary, unless such reduction is consistent with reductions made in the applicable annual base salaries of similarly situated employees of the Company or its Affiliates or (ii) a material adverse change in the Eligible Employee’s duties and responsibilities at the Company or its Affiliate (but not changes in functional titles) or (iii) a relocation that would result in the Eligible Employee’s principal location of employment being moved 50 miles away from the Eligible Employee’s principal location of employment as in effect immediately prior to the consummation of a Change in Control, to the extent any such relocation occurs during the 12-month period following the date of the consummation of a Change in Control; provided, however, that “Good Reason” shall cease to exist for an event (i) on the 90th day following the date on which the Eligible Employee knew or reasonably should have known of such event and failed to give notice as described above, or (ii) on the 14th day following the expiration of the 30-day cure period if the Company or the applicable Affiliate failed to correct the event or condition and the Eligible Employee has not terminated his or her employment as of such date.
- 2.22. **“Holdings”** means LPL Financial Holdings Inc.
- 2.23. **“Involuntary Termination”** means the termination of an Eligible Employee’s employment by the Company or an Affiliate for any reason other than death, Disability or Cause; provided that in no event shall a transfer of an Eligible Employee’s employment between the Company and any of its Affiliates or between the Company’s Affiliates result in an Involuntary Termination.
- 2.24. **“Participant”** means an Eligible Employee who has satisfied and continues to satisfy the conditions for participation in Article 3 and thereby becomes and continues to be eligible to receive and retain Severance Benefits under the Plan.
- 2.25. **“Person”** means an individual, a corporation, a limited liability company, an association, a partnership, an estate, a trust and any other entity or organization, other than the Company or any of its Affiliates.
- 2.26. **“Plan”** means this LPL Financial LLC Executive Severance Plan, as amended from time to time.
- 2.27. **“Proprietary Information”** means trade secrets or proprietary or confidential information of any of the Company or its Affiliates, or of any third party that any one of the Company or its Affiliates is under an obligation to keep confidential (including, but not limited to, intellectual property rights and information related to the business of any of the Company or its Affiliates and any of their clients or representatives that (a) confers or tends to confer a competitive advantage on any of the Company or its Affiliates or (b) that has commercial value for any of the Company or its Affiliates). This includes but is

not limited to: contracts; marketing materials and business strategies; legal information; regulatory information; product information; mark-up guidelines; client lists (including the names, addresses, telephone numbers and account numbers of clients, the trade history with each client, and all other information on client lists); lists of client prospects, financial advisors, business partners, brokers and/or representatives; software programs; software source documents, financial information and projections; and all concepts, plans, proposals or information about current, future and proposed business or sales.

2.28. "Qualifying Termination" means (i) an Involuntary Termination or (ii) a voluntary termination of an Eligible Employee's employment for Good Reason.

2.29. "Restricted Person" means (i) any financial advisor licensed or affiliated with the Company or any of its Affiliates, as well as any clients of such financial advisor; (ii) any financial advisor who an Eligible Employee or Participant, by virtue of his or her employment or other service relationship with the Company or any of its Affiliates, knew or should have known to be in discussions with the Company or any of its Affiliates regarding licensure or affiliation with the Company or any of its Affiliates; (iii) any financial institution with a contract with the Company or its Affiliates; or (iv) any financial institution who such Eligible Employee or Participant, by virtue of his or her employment or other service relationship with the Company or any of its Affiliates, knew or should have known to be in discussions with the Company or its Affiliates regarding business relations with the Company or its Affiliates; provided, that following an individual's Separation Date, the term Restricted Person shall include only those Persons who were such at any time during the 12-month period preceding the Separation Date.

2.30. "Separation Agreement" means a separation agreement in the form prescribed by the Administrator for an Eligible Employee, which shall contain, among other provisions deemed appropriate by the Administrator, a general release of all claims of any kind whatsoever against the Company and its Affiliates (including without limitation all Persons associated with any of them) as of the Separation Date, and, to the extent permitted by applicable law and as deemed appropriate by the Administrator, restrictive covenants similar in scope and duration to the conditions contained in Article 6; provided, that any confidentiality obligation in a Separation Agreement shall continue to apply following the end of the Severance Period.

2.31. "Separation Date" means an Eligible Employee's last active day of employment with the Company or an Affiliate (or any successor thereto).

2.32. "Severance Benefits" means the payment and provision of severance compensation and benefits as provided in Section 4.1 herein and, to the extent applicable, Section 4.2 herein.

2.33. "Severance Period" means (i) in the case of a Qualifying Termination that is not a Change in Control Qualifying Termination, the one-year period following the Separation Date, and (ii) in the case of a Change in Control Qualifying Termination, the 18-month period following the Separation Date.

2.34. "Voluntary Resignation" means any retirement or voluntary resignation from employment other than for Good Reason.

Article 3. Participation

3.1. Participant. Each Eligible Employee who (i) experiences a Qualifying Termination or a Change in Control Qualifying Termination, (ii) complies with the conditions set forth in Article 6, (iii) satisfies the conditions of Section 3.2 regarding the execution of the Separation Agreement, and (iv) complies in

all respects with the terms and conditions set forth in the Separation Agreement, shall be a Participant and shall be entitled to receive and retain the Severance Benefits described in the Plan.

3.2. Separation Agreement. As a condition of receiving benefits hereunder, an Eligible Employee who otherwise meets the requirements for participation under Section 3.1 shall be required to enter into an effective Separation Agreement with the Company or an Affiliate. The Separation Agreement shall be in the form prescribed by the Administrator for the Eligible Employee, must be executed within the time prescribed in the Separation Agreement, which in no event shall be later than the 45th day following the Separation Date, and must become effective not later than the eighth day following the date of execution. Provided that the Eligible Employee complies in all respects with the terms and conditions of the Separation Agreement and this Plan, the Eligible Employee shall become and remain a Participant and the Company or Affiliate shall provide the Participant with the payments and benefits set forth in Section 4.1 and, to the extent applicable, Section 4.2. An Eligible Employee's continued compliance with the conditions contained in this Plan and with the terms and conditions set forth in the Separation Agreement shall be an express condition to the Eligible Employee's status as a Participant and to his or her right to receive and retain the payments and benefits provided in Section 4.1 and, to the extent applicable, Section 4.2.

Article 4. Severance Benefits

4.1. Severance Benefits. A Participant shall be entitled to receive from the Company or an Affiliate, in addition to the Accrued Compensation, the following Severance Benefits:

- (a) continued payment of the Base Salary during the Severance Period;
- (b) an amount equal to the bonus paid (or payable) to the Participant for the most recently completed calendar year;
- (c) provided the Participant is eligible for and properly elects in a timely manner continuation coverage under COBRA and continues to pay the portion of the premium that the Participant would have been required to pay for such coverage under the terms of such coverage had the Participant remained an active employee, the Company or Affiliate shall pay, on a taxable basis, the employer portion of the premium (plus the additional amount, if any, charged for administrative costs as permitted by COBRA) of continued health and dental plan participation under COBRA for the Participant and for the Participant's qualified beneficiaries (as that term is defined under COBRA) until the earliest of (i) the expiration of the 12-month period following the date on which the Participant's participation in such plans as an employee ceases, (ii) the date on which the Participant becomes eligible for comparable benefit coverage with a subsequent employer or through self-employment, or (iii) the date on which the Participant is no longer eligible for coverage under COBRA for any reason (except that payment of the employer portion of the COBRA premium described in this Section 4.1(c) shall continue for the remainder of the 12-month period described in clause (i) of this Section 4.1(c) in the event of the Participant's death during such 12-month period, but only to the extent the Participant's qualified beneficiaries properly and timely elect, and remain eligible for, continuation coverage under COBRA); provided, however, that if the payments or benefits to be provided pursuant to this Section 4.1(c) would subject the Company (or an Affiliate) or the Participant to adverse penalties or excise taxes, the Company or an Affiliate shall arrange to provide the Participant (or his or her qualified beneficiaries) with a substantially similar benefit;
- (d) the unvested portion of any outstanding equity or equity-based award held by a Participant on the Separation Date shall vest as of the Separation Date as to that portion of such award that otherwise would have vested during the 12-month period beginning on the Separation Date as a result of only the passage of time, notwithstanding any contrary provision in any equity compensation plan under which such award was granted or agreement evidencing such equity or equity-based award; and

(e) notwithstanding any contrary provision in any equity compensation plan or agreement evidencing such an award, any outstanding equity or equity-based award held by a Participant on the Separation Date, the vesting of which is based on the satisfaction of specified performance criteria, shall not terminate and shall instead remain outstanding and eligible to become earned and vested in accordance with the terms of the agreement evidencing such award; provided, however, that the number of shares (or units with respect to shares) that become earned and vested, if any, will be prorated based on the number of days that have elapsed in the performance period set forth in the applicable award agreement from the first day of the performance period to Separation Date.

4.2. Change in Control Severance Benefits. Notwithstanding the foregoing Section 4.1, the Severance Benefits for a Participant who experiences a Qualifying Termination that is a Change of Control Qualifying Termination shall be determined under this Section 4.2 and not under the foregoing Section

4.1. A Participant who experiences a Change of Control Qualifying Termination shall be entitled to receive from the Company or an Affiliate, in addition to the Accrued Compensation, the following Severance Benefits:

- (a) continued payment of the Base Salary during the Change in Control Severance Period;
- (b) an amount equal to 150% of the Participant's target bonus for the calendar year in which the Participant's employment is terminated;
- (c) provided the Participant is eligible for and properly elects in a timely manner continuation coverage under COBRA and continues to pay the portion of the premium that the Participant would have been required to pay for such coverage under the terms of such coverage had the Participant remained an active employee, the Company or Affiliate shall pay, on a taxable basis, the employer portion of the premium (plus the additional amount, if any, charged for administrative costs as permitted by COBRA) of continued health and dental plan participation under COBRA for the Participant and for the Participant's qualified beneficiaries (as that term is defined under COBRA) until the earliest of (i) the expiration of the 18-month period following the date on which the Participant's participation in such plans as an employee ceases, (ii) the date on which the Participant becomes eligible for comparable benefit coverage with a subsequent employer or through self-employment, or (iii) the date on which the Participant is no longer eligible for coverage under COBRA for any reason (except that payment of the employer portion of the COBRA premium described in this Section 4.2(c) shall continue for the remainder of the 18-month period described in clause (i) of this Section 4.2(c) in the event of the Participant's death during such 18-month period, but only to the extent the Participant's qualified beneficiaries properly and timely elect, and remain eligible for, continuation coverage under COBRA); provided, however, that if the payments or benefits to be provided pursuant to this Section 4.2(c) would subject the Company (or an Affiliate) or the Participant to adverse penalties or excise taxes, the Company or an Affiliate shall arrange to provide the Participant (or his or her qualified beneficiaries) with a substantially similar benefit;
- (d) the unvested portion of any outstanding equity or equity-based awards, the vesting of which is based only on the passage of time, held by such Participant on the Separation Date shall fully vest as of the Separation Date notwithstanding any contrary provision in any equity compensation plan under which such award was granted or any agreement evidencing such equity or equity-based award; and
- (e) the unvested portion of any outstanding equity or equity-based awards, the vesting of which is based on the satisfaction of specified performance criteria, held by such Participant on the Separation Date shall become vested on the Separation Date (notwithstanding any contrary provision in any equity compensation plan or agreement evidencing such equity or equity-based award) as to the portion of the shares (or units with respect to shares) equal to (A) the number of shares (or units with respect to shares) that would have vested had the target level of performance been achieved and any applicable service-based vesting requirement had been met, multiplied by (B) a fraction, the numerator of which is the number of days that have elapsed from the first day of the performance period to the Separation Date and

the denominator of which is the total number of days in the performance period as set forth in the applicable award agreement. For the avoidance of doubt, any portion of such outstanding award that fails to vest on the Separation Date pursuant to the preceding sentence shall be immediately forfeited without consideration therefor.

4.3. Timing of Payments; Exercise and Settlement of Equity Awards

(a) In General. Except as otherwise provided in Article 9 or elsewhere herein, provided that the Participant has complied with the terms and conditions of the Separation Agreement and this Plan, any payments due under Section 4.1 or, to the extent applicable, Section 4.2, shall be payable in installments during the Severance Period in accordance with the Company's normal payroll practices, with the first payment, which shall be retroactive to the day immediately following the Participant's Separation Date, being due and payable as soon as administratively practicable following the date on which the Separation Agreement becomes effective, but not later than the date that is 60 days following the Separation Date. Notwithstanding the foregoing, if the Separation Date occurs in one taxable year and the date that is 60 days following the Separation Date occurs in a second taxable year, to the extent required by Section 409A of the Code, such first payment shall not be made prior to the first day of the second taxable year. For the avoidance of doubt, if an Eligible Employee does not execute a Separation Agreement within the period specified in Section 3.2 or if an Eligible Employee revokes an executed Separation Agreement within the time period permitted by law, the Eligible Employee shall not become a Participant, shall not be entitled to any Severance Benefits or to the accelerated vesting of any equity or equity-based awards pursuant to Section 4.1 or, to the extent applicable, Section 4.2, and neither the Company nor any of its Affiliates shall have any further obligations to the Eligible Employee under the Plan. Regardless of whether the Eligible Employee executes or revokes the Separation Agreement, the Eligible Employee is entitled to receive the Accrued Compensation.

(b) Accelerated Vesting of Equity Awards. In the case of any portion of an award requiring exercise that vests upon a Qualifying Termination under Section 4.1 or Section 4.2, notwithstanding any contrary provision in the equity compensation plan under which such award was granted or in the agreement evidencing such award, such portion shall not be exercisable unless and until the Separation Agreement becomes effective pursuant to Section 4.3(a) above (such effective date, the "Release Date") and, following the Release Date, shall remain exercisable for the shorter of (i) a period of 90 days beginning on the Release Date or (ii) the period ending on the latest date under which such award may be exercised pursuant to its terms, and, if unexercised on the last day of such period, shall thereupon terminate. In the case of any equity or equity-based award not requiring exercise that vests pursuant to Section 4.1 or, to the extent applicable, Section 4.2 that requires the delivery of cash or shares upon vesting, notwithstanding any contrary provision in the equity compensation plan under which such award was granted or in the agreement evidencing such award, such cash or shares shall be delivered as soon as administratively practicable after the Release Date, but in no event later than (i) 60 days following the Separation Date for any equity or equity-based award other than an award that vests pursuant to Section 4.1(e) and (ii) for any equity or equity-based award that vests pursuant to Section 4.1(c), as soon as reasonably practicable following the vesting date of such equity or equity-based award, but in no event later than the March 15th of the year following the year in which the performance period ends, as set forth in the applicable equity or equity-based award agreement (or any earlier date, after vesting, as may be required to avoid characterization as non-qualified deferred compensation under Section 409A of the Code). Notwithstanding the foregoing and subject to Article 9, if the Separation Date occurs in one taxable year and the date that is 60 days following the Separation Date occurs in a second taxable year, to the extent required by Section 409A of the Code, such cash or shares shall not be delivered prior to the first day of the second taxable year.

4.4. Voluntary Resignation; Termination for Death or Disability. If an Eligible Employee's employment terminates on account of (a) Voluntary Resignation, (b) death, or (c) Disability, then the Eligible Employee shall not be entitled to receive Severance Benefits under this Plan and shall be entitled only to receive his or her Accrued Compensation. Except as described in this Section 4.4, neither the Company nor any of its Affiliates shall have any further obligations to the Eligible Employee under the Plan.

4.5. Termination for Cause. If an Eligible Employee's employment terminates on account of termination by the Company or an Affiliate for Cause, the Eligible Employee shall not be entitled to receive Severance Benefits and shall be entitled only to receive his or her Accrued Compensation. Notwithstanding any other provision of the Plan to the contrary, if the Administrator determines, at any time, that a Participant engaged in conduct prior to the Participant's Separation Date that would have constituted Cause had such conduct been discovered prior to such date, any Severance Benefits payable or provided to the Participant under the Plan shall immediately cease, and the Participant shall be required to return any Severance Benefits paid or provided to the Participant prior to such determination (including for the avoidance of doubt, any cash or shares received in connection with the accelerated vesting of any equity or equity-based award pursuant to Section 4.1 or Section 4.2 or upon the exercise of any such award following such accelerated vesting). Except as described in this Section 4.5, neither the Company nor any of its Affiliates shall have any further obligations to such Eligible Employee or Participant as applicable, under the Plan.

4.6. Severance Benefits in the Event of Death of a Participant. If a Participant dies while any amount would still be payable to him or her hereunder had he or she continued to live, all such amounts, unless otherwise provided herein, shall be paid to the Participant's Beneficiary within 60 days from the date of the Participant's death.

Article 5. Code Section 4999 Excise Tax

Anything in this Plan to the contrary notwithstanding, in the event that it shall be determined that any payment or benefit (including any accelerated vesting of options or other equity or equity-based awards) made or provided, or to be made or provided, by the Company or any of its Affiliates (or any successor thereto) to or for the benefit of an Eligible Employee or a Participant, whether pursuant to the terms of this Plan, any other agreement, plan, program or arrangement of or with the Company or any of its Affiliates (or any successor thereto) or otherwise (a "Payment"), will be subject to the excise tax imposed by Code Section 4999 or any comparable tax imposed by any replacement or successor provision of United States tax law, then the aggregate present value of the Payments shall be reduced (but not below zero) to the Reduced Amount. The "Reduced Amount" shall be an amount expressed in present value that maximizes the aggregate present value of the Payments without causing any Payment to be subject to the deduction limitation under Code Section 280G or the imposition of any excise tax under Code Section 4999. For this purpose, "present value" shall be determined in accordance with Code Section 280G(d)(4). In the event that it is determined that the aggregate amount of the Payments will be reduced in accordance with this Article 5, the Payments shall be reduced on a nondiscretionary basis in such a way as to minimize the reduction in the economic value deliverable to the Eligible Employee or Participant. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Code Section 409A, and where more than one payment has the same value for this purpose and they are payable at different times, they will be reduced on a pro-rata basis. All determinations to be made under this Article 5 shall be made by the nationally recognized independent public accounting firm used by the Company immediately prior to the change in control ("Accounting Firm"), which Accounting Firm shall provide its determinations and any supporting calculations to the Administrator and the Eligible

Employee or the Participant within 10 days of the Separation Date (or the date of a Change in Control, if applicable and necessary, as determined by the Company). Any such determination by the Accounting Firm shall be binding upon the Company, its Affiliates and the Eligible Employee or the Participant. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this Article 5 shall be borne solely by the Company or an Affiliate.

Article 6. Conditions to Receipt and Retention of Severance Benefits

Receipt and retention of Severance Benefits is expressly conditioned upon each Eligible Employee's continued compliance with the conditions contained in this Article 6, both before and after becoming a Participant. In the event such an individual fails to comply with any of these conditions: (i) the individual shall cease to be entitled to receive any Severance Benefits, (ii) the individual shall return any Severance Benefits previously paid to or for him or her (including for the avoidance of doubt, any cash or shares received in connection with the accelerated vesting of any equity or equity-based award pursuant to Section 4.1 or Section 4.2 or upon the exercise of any such award following such accelerated vesting), and (iii) the Plan shall be entitled to recover any such Severance Benefits not returned by the individual; provided, however, that in every case such an individual who has previously entered into an effective Separation Agreement with the Company or an Affiliate shall be entitled to receive and retain \$100,000 of the Severance Benefits.

6.1. Non-Competition. An Eligible Employee, during employment with the Company or an Affiliate, and a Participant, through the end of the Severance Period, shall not, directly or indirectly, alone or as owner, principal, agent, employee, employer, consultant, independent contractor, investor, partner, co-venturer or otherwise compete with the Company or any of its Affiliates in any geographic area in which the Company or any of its Affiliates does business or undertake any planning for any business competitive with the business of the Company or any of its Affiliates. Specifically, but without limiting the foregoing, an Eligible Employee or Participant shall not engage in any manner in any activity that is directly or indirectly competitive or potentially competitive with the business of the Company or any of its Affiliates as conducted or under consideration at any time during such individual's employment and shall not work or provide services, in any capacity, whether as an employee, independent contractor or otherwise, whether with or without compensation, to any Person who is engaged in any business that is competitive with the business of the Company or any of its Affiliates for which such individual has provided services, as conducted or in planning during his or her employment. For avoidance of doubt, this Section 6.1 shall not apply to any period following separation from service with the Company or an Affiliate with respect to any Eligible Employee who declines to enter into a Separation Agreement.

6.2. Non-Solicitation.

(a) An Eligible Employee, during employment with the Company or an Affiliate, and a Participant, through the end of the Severance Period, shall not, directly or indirectly, (i) solicit any Restricted Person to do with any other Person any business competitive with the business of the Company or any of its Affiliates or any business that such Restricted Person could do with the Company or any of its Affiliates, or (ii) persuade or otherwise induce any Restricted Person to terminate or diminish its relationship with the Company or any of its Affiliates.

(b) An Eligible Employee, during employment with the Company or an Affiliate, and a Participant, through the end of the Severance Period, may not, directly or indirectly, solicit, seek to hire, or persuade or induce any employee, consultant or independent contractor of the Company or its Affiliates (or any person who was such during the 12-month period prior to the Eligible Employee's or Participant's Separation Date) to discontinue his or her employment or other association with the Company or its Affiliates.

(c) For avoidance of doubt, this Section 6.2 shall not apply to any period following separation from service with the Company or an Affiliate with respect to any Eligible Employee who declines to enter into a Separation Agreement.

6.3. Confidentiality. Other than as required by applicable law or for the proper performance of his or her duties and responsibilities to the Company or any of its Affiliates during his or her continued employment with the Company or any of its Affiliates, no Eligible Employee or Participant shall disclose to any Person or use any Proprietary Information obtained by such individual incident to his or her employment or other association with the Company or any of its Affiliates. The confidentiality condition under this Section 6.3 shall not apply to information which is generally known or readily available to the public at the time of disclosure or becomes generally known through no wrongful act on the part of the Eligible Employee or Participant or any other Person having an obligation of confidentiality to the Company or any of its Affiliates.

Article 7. Withholding of Taxes; Funding

7.1. Withholding of Taxes; Taxes. The Company and any Affiliate shall be entitled to withhold from any amounts payable under the Plan all taxes as legally shall be required (including, without limitation, any United States federal taxes, and any other state, city, or local taxes). Each Participant shall be solely responsible for the payment of all taxes that become due as a result of a payment to the Participant under this Plan.

7.2. Funding. The Plan shall be funded out of the general assets of the Company or an Affiliate as and when severance benefits are payable under the Plan. All Participants shall be solely general creditors of the Company.

Article 8. Successors and Assignment

8.1. Successors to the Company. The Company or an Affiliate will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) of all or substantially all of the business and/or assets of the Company or an Affiliate or of any division or subsidiary thereof to expressly assume and agree to perform the Company's or an Affiliate's obligations under the Plan in the same manner and to the same extent that the Company or the Affiliate would be required to perform them if no such succession had taken place.

8.2. Assignment by the Participant. Except in the event of death, a Participant does not have the power to transfer, assign, anticipate, mortgage or otherwise encumber any rights or any amounts payable under this Plan; nor will any such rights or amounts payable under this Plan be subject to seizure, attachment, execution, garnishment or other legal or equitable process, or for the payment of any debts, judgments, alimony, or separate maintenance, or be transferable by operation of law in the event of bankruptcy, insolvency, or otherwise. In the event a Participant attempts to assign, transfer or dispose of such right, or if an attempt is made to subject such right to such process, such assignment, transfer or disposition will be null and void.

Article 9. Code Section 409A

Notwithstanding the other provisions hereof, this Plan is intended to comply with the requirements of Code Section 409A, to the extent applicable, and this Plan shall be interpreted to avoid any penalty sanctions under Code Section 409A. Accordingly, all provisions herein, or incorporated by reference,

shall be construed and interpreted to comply with Code Section 409A and, if necessary, any such provision shall be deemed amended to comply with Code Section 409A and regulations thereunder. If any payment or benefit cannot be provided or made at the time specified herein without incurring any accelerated or additional tax under Code Section 409A, then such benefit or payment shall be provided in full at the earliest time thereafter when such accelerated or additional tax will not be imposed. All payments to be made upon a termination of employment under this Plan may only be made upon a "separation from service" (as defined in Treasury regulation section 1.409A-1(h), after giving effect to the presumptions contained therein) to the extent required under Code Section 409A. For purposes of Code Section 409A, each payment made under this Plan shall be treated as a separate payment. In no event may a Participant, directly or indirectly, designate the calendar year of payment of any severance benefit payable hereunder.

Reimbursements provided under this Plan, if any, shall be made or provided in accordance with the requirements of Code Section 409A including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during a limited period of time specified in the Plan; (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year; (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred; and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit.

To the maximum extent permitted under Code Section 409A, the severance benefits payable under this Plan are intended to comply with the "short-term deferral exception" under Treas. Reg. §1.409A-1(b)(4), and any remaining amount is intended to comply with the "separation pay exception" under Treas. Reg. §1.409A-1(b)(9)(iii); provided, however, any portion of the severance benefits that are payable under the Plan to a Participant during the six-month period following the Participant's Separation Date that does not qualify within either of the foregoing exceptions and constitutes deferred compensation subject to the requirements of Code Section 409A, then such amount shall hereinafter be referred to as the "Excess Amount". If at the time of the Participant's separation from service, the Company's (or any entity required to be aggregated with the Company under Code Section 409A) stock is publicly traded on an established securities market or otherwise and the Participant is a "specified employee" (as defined in Code Section 409A and determined in the sole discretion of the Company (or any successor thereto) in accordance with the Company's (or any successor thereto) "specified employee" determination policy), then the Company shall postpone the commencement of the payment of the portion of the Excess Amount that is payable within the six-month period following the Participant's Separation Date for six months following the Participant's Separation Date. The delayed Excess Amount shall be paid in a lump sum to the Participant within 10 days following the date that is six months following the Participant's Separation Date and any remaining installments shall continue to be paid to the Participant in accordance with the original schedule provided herein. If the Participant dies during such six-month period and prior to the payment of the portion of the Excess Amount that is required to be delayed on account of Code Section 409A, such Excess Amount shall be paid to the personal representative of the Participant's Beneficiary within 60 days after the Participant's death.

Article 10. Claims Procedures

Any request or claim for severance benefits under the Plan shall be deemed to be filed when a written request is made by the claimant or the claimant's authorized representative which is reasonably calculated to bring the claim to the attention of the Administrator.

The Administrator, or its designee, shall advise the claimant or such claimant's representative, in writing or in electronic form, of its decision within 90 days of receipt of the claim for severance benefits under the Plan, unless special circumstances require an extension of such 90-day period for not more than an additional 90 days. Where such extension is necessary, the claimant shall be given written notice of the delay before the expiration of the initial 90-day period, which notice shall set forth the reasons for the delay and the date the Administrator expects to render its decision. If the extension is necessary because the claimant has failed to submit the information necessary to decide the claim, the Administrator's period for responding to such claim shall be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

The Administrator's response to a claim shall (i) be in writing or in electronic form; (ii) be written in a manner calculated to be understood by the claimant; and (iii) in the case of an adverse benefit determination: (a) set forth the specific reason(s) for the denial of benefits; (b) contain specific references to Plan provisions on which the denial is based; (c) describe any additional material and information, if any, necessary for the claim for benefits to be perfected and an explanation of why such material or information is necessary; and (d) describe the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.

If the claimant or the claimant's authorized representative fails to appeal the Administrator's adverse benefit determination, in writing, within 60 days after its receipt by the claimant, the Administrator's determination shall become final and conclusive.

If the claimant or the claimant's authorized representative appeals the Administrator's adverse benefit determination in a timely fashion, the Administrator shall reexamine all issues relevant to the original denial of benefits. Any such claimant or his or her duly authorized representative may review any relevant documents, records and other information, free of charge, including documents and records that were relied upon in making the benefit determination, documents submitted, considered or generated in the course of making the benefit determination (even if such documents were not relied upon in making the benefit determination), and documents that demonstrate compliance, in making the benefit determination, with the Plan's required administrative processes and safeguards. In addition, the claimant or his or her duly authorized representative may submit written comments, documents, records and other information relating to such claim for benefits. In the course of the review, the Administrator shall take into account all comments, documents, records and other information submitted by the claimant or his or her duly authorized representative relating to such claim, regardless of whether it was submitted or considered as part of the initial benefit determination.

The Administrator shall advise the claimant or such claimant's representative, in writing or in electronic form, of its decision within 60 days of receipt of the written appeal, unless special circumstances require an extension of such 60-day period for not more than an additional 60 days. Where such extension is necessary, the claimant shall be given written notice of the delay before the expiration of the initial 60-day period, which notice shall set forth the reasons for the delay and the date the Administrator expects to render its decision. If the extension is necessary because the claimant has failed to submit the information necessary to decide the claim, the Administrator's period for responding to such claim shall be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information. In the event of an adverse benefit determination on appeal, the Administrator shall advise the claimant, in a manner calculated to be understood by the claimant of: (i) the specific reason(s) for the adverse benefit determination; (ii) the

specific Plan provisions on which the decision was based; (iii) the claimant's right to receive, upon request and free of charge, and have reasonable access to, copies of all documents, records and other information relevant to such claim; and (iv) a statement describing any voluntary appeals procedures offered by the Plan, the claimant's right to obtain information about such procedures, and a statement of the claimant's right to bring an action under section 502(a) of ERISA.

No person may bring an action for any alleged wrongful denial of Plan benefits in a court of law unless the claims procedures set forth above are exhausted and a final determination is made by the Administrator. If a Participant or other interested person challenges a decision of the Administrator, a review by the court of law will be limited to the facts, evidence and issues presented to the Administrator during the claims procedure set forth above. Facts and evidence that become known to the Participant or other interested person after having exhausted the claims procedure must be brought to the attention of the Administrator for reconsideration of the claims determination. Issues not raised with the Administrator will be deemed waived.

Article 11. Administration

The Committee will be the administrator and the named fiduciary of the Plan for purposes of ERISA. The Committee may, however, delegate to any person, committee or entity any of its power or duties under the Plan. The Administrator will be the sole judge of the application and interpretation of the Plan, and will have the discretionary authority to construe the provisions of the Plan and to resolve disputed issues of fact. The Administrator will have the sole authority to make determinations regarding eligibility for benefits. The decisions of the Administrator in all matters relating to the Plan that are within the scope of its authority (including, but not limited to, eligibility for benefits, Plan interpretations, and disputed issues of fact) will be final and binding on all parties.

Article 12. Miscellaneous

12.1. Employment Status. Except as may be provided under any other agreement between an Eligible Employee and the Company or an Affiliate, the employment of the Eligible Employee by the Company or an Affiliate is "at will", and may be terminated by either the Eligible Employee or the Company or an Affiliate at any time, subject to applicable law. Nothing contained herein shall constitute an employment contract or guarantee of employment or confer any other rights except as set forth herein.

12.2. Other Payments. Except as otherwise provided in this Plan, no Eligible Employee shall be entitled to any cash payments or other severance benefits under any of the Company's or any Affiliate's then current severance pay policies for a termination that is covered by this Plan for the Eligible Employee.

12.3. No Mitigation. Participants shall not be required to mitigate the amount of any Severance Benefit provided for in this Plan by seeking other employment or otherwise, nor shall the amount of any Severance Benefit provided for herein be reduced by any compensation earned by other employment or otherwise, except (i) as provided in Section 4.1(c) or Section 4.2(c) or (ii) in the event the Participant is re-employed by the Company or an Affiliate, in which case Severance Benefits shall cease.

12.4. Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular, and the singular shall include the plural.

12.5. Amendment or Termination. The Board and the Committee may, in their sole discretion, amend or terminate the Plan, in whole or in part, at any time and for any reason or no reason without the consent of Participants. An amendment to the Plan may not discontinue or change any payments to a Participant who has entered into an effective Separation Agreement under the Plan prior to the effective date of the amendment or termination of the Plan. If the Plan is terminated, no Severance Benefits will be payable under the Plan to any Eligible Employee who has not entered into an effective Separation Agreement under the Plan prior to the effective date of such termination. For the avoidance of doubt, any Separation Agreement that took effect prior to the date the Plan is terminated shall remain in full force and effect in accordance with its terms.

12.6. Governing Law. To the extent not preempted by the laws of the United States, this Plan shall be construed and enforced under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without regard to the conflict of laws principles thereof.

12.7. Liability. No member of the Committee, no Administrator, and no officer, director or employee of the Company or any Affiliate shall be liable for any inaction with respect to his or her functions under the Plan unless such action or inaction is adjudged to be due to gross negligence, willful misconduct or fraud. Further, no member of the Committee or Administrator shall be personally liable merely by virtue of any instrument executed by him or her or on his or her behalf as a member of the Committee or as an Administrator.

12.8. Indemnification. The Company shall indemnify, to the fullest extent permitted by law and its Certificate of Incorporation and By-laws (but only to the extent not covered by insurance) its officers and directors (and any employee involved in carrying out the functions of the Company under the Plan), each member of the Committee and each Administrator against any expenses, including amounts paid in settlement of a liability, which are reasonably incurred in connection with any legal action to which such person is a party by reason of his or her duties or responsibilities with respect to the Plan, except with regard to matters as to which he or she shall be adjudged in such action to be liable for gross negligence, willful misconduct or fraud in the performance of his or her duties.

12.9. Headings. The headings of the Plan are inserted for convenience of reference only and shall have no effect upon the meaning of provisions hereof.

12.10. Incompetency. In the event that the Administrator finds that a Participant is unable to care for his or her affairs because of illness or accident, then benefits payable hereunder, unless claim has been made therefor by a duly appointed guardian, committee, or other legal representative, may be paid in such manner as the Administrator shall determine, and the application thereof shall be a complete discharge of all liability for any payments or benefits to which such Participant was or would have been otherwise entitled under the Plan.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed this 9th day of May, 2025.

LPL FINANCIAL LLC

By: /s/ Kathleen Bakke
Kathleen Bakke
Interim Chief Human Resources Officer

List of Subsidiary Guarantors and Issuers of Guaranteed Securities

As of June 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: August 4, 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: August 4, 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 June 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: August 4, 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 June 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: August 4, 2025

/s/ Matthew Audette

Matthew Audette
President and Chief Financial Officer