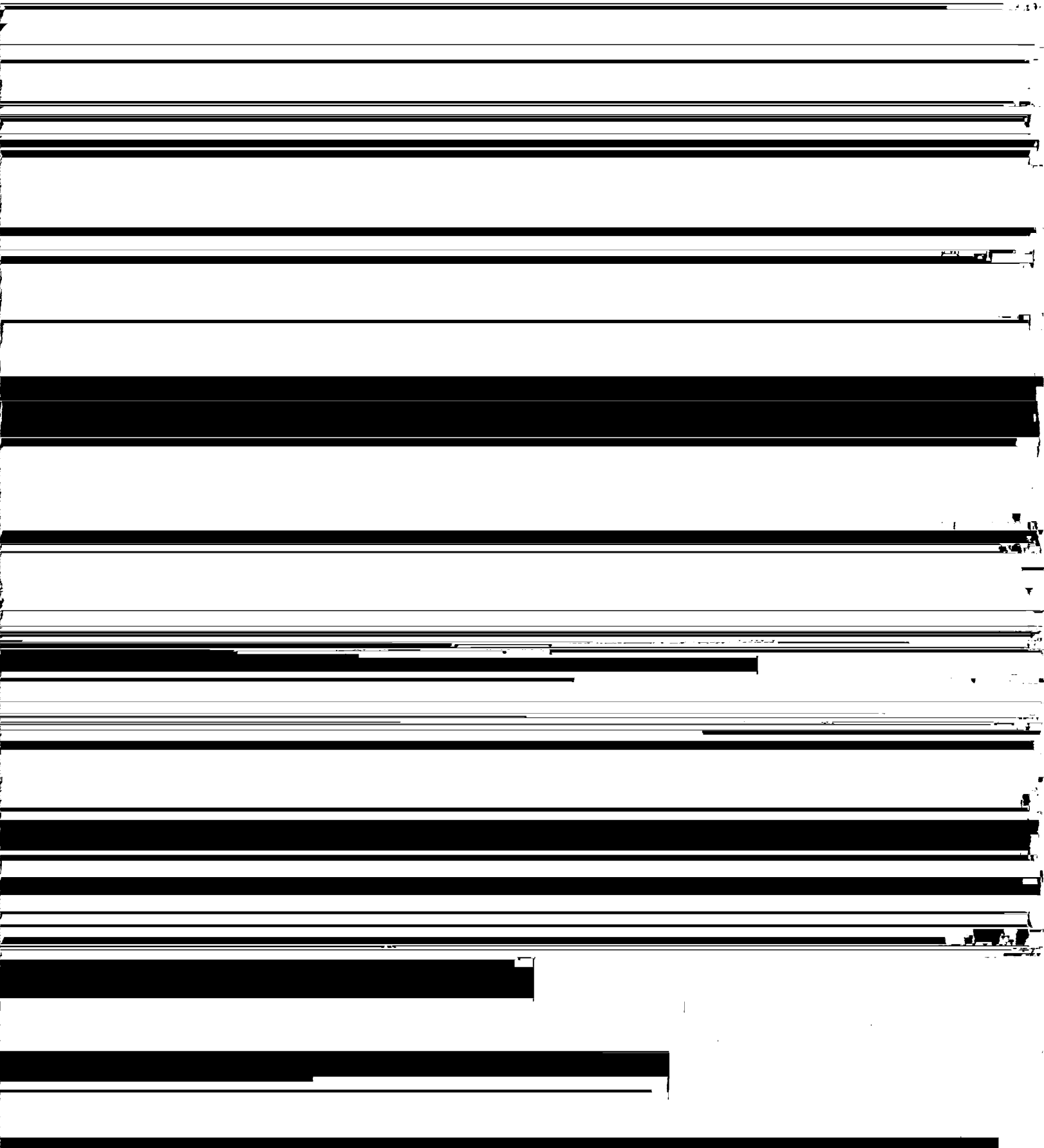States"; and

WHEREAS, LPL has agreed to resolve the investigation, upon the terms specified in the Settlement Term Sheet executed as of May 1, 2018 between LPL and the Lead States on behalf of participating NASAA jurisdictions, with all participating states and territories identified in Appendix A to the Settlement Term Sheet (each, a "Jurisdiction" and collectively, the "Jurisdictions"); and

WHEREAS, LPL agrees to comply in all material respects with the undertakings specified herein; and

5. As executed in January 2000 and amended in mid-2006, the Subscription Agreement included data for equity securities, but not for fixed income securities.

systems, LPL personnel failed to accomplish the additional steps that would be required to

that Manager learned that LPL's subscription to the state securities registration data had

failure at that time to conduct a sufficient analysis to determine the root cause of the identified violations and compliance and supervisory shortcomings.

employees to prevent the sale of unregistered, non-exempt securities, in violation of S.C. Code Ann. § 35-1-412(d)(9).

6. LPL failed to supervise agents, staff, and employees in the performance of duties with respect to systems operation, process, and checks and balances to ensure compliance with Blue Sky laws, rules, and regulations, in violation of S.C. Code Ann.

411(c)(1), § 35-1-412(d)(9), and S.C. Code of Regulations § 13-405(A)(1).

provider other than the Independent Reviewer. The Independent Reviewer may

calculated from the trade date of the purchase to the earlier of May 1, 2015 or the date on which the customer sold the security, if applicable.

Commissioner has approved the template Offer Letter, inclusive of any waiver of release language, for distribution to offerees in South Carolina.

The Securities Commissioner will then have ninety (90)

individuals who come forward to either LFL or the Jurisdiction within six

(6) months after completion of the Historical Trade Review and

Repurchase Program (as described and defined in Section III(D)(13)),

furtherance of the Independent Reviewer's determinations provide a written

granted by the Lead States shall apply to all dates in South Carolina pursuant to this Order. If the Securities Commissioner extends a date or deadline (*see, e.g., supra*

iii. Training and education of staff, including associated persons of the

be borne exclusively by LPL Financial Holdings Inc. or its direct or indirect

of any state, the District of Columbia, Puerto Rico, or the U.S. Virgin Islands; under the rules or regulations of any securities or commodities regulator or self-regulatory organizations; or under the federal securities laws, including but not limited to, Section 3(a)(39) of the Securities Exchange Act of 1934 and Regulation A and Rules

o this Order.

ding upon LPL and its successors and assigns, … …as to

38. This Order shall be bind…

provisions…

By: _____

Title: SVP, Head of Regulatory Inquiries and
Strategy