

Equity Ownership Guidelines for Managing Directors

The Compensation and Human Resources Committee of the Board of Directors (the "Compensation Committee") of LPL Financial Holdings Inc. (the "Company") has adopted these equity ownership guidelines (the "Ownership Guidelines") to align the interests of senior management with the interests of the Company's stockholders and to further promote the Company's commitment to sound corporate governance.

Application

The Ownership Guidelines shall apply to any person currently or in the future holding the title of Managing Director or above of LPL Financial LLC or an affiliate (each, an "MD"), and shall apply to each such MD for so long as he or she serves as an MD.

Ownership Guidelines

Each MD is required to hold shares of common stock of the Company ("Shares") at least equal in value to three times his or her annual base salary, *provided however*, that the Chief Executive Officer of the Company is required to hold Shares at least equal in value to six times his or her annual base salary (the "Minimum Holding Requirement").

Each MD will have a period of five years from the date of commencement of his or her employment (or promotion to MD, as applicable) to attain the Minimum Holding Requirement; *provided however*, that each MD serving as of March 1, 2022 will have a period of one year from such date to attain the Minimum Holding Requirement.

No MD may sell any Shares unless such MD has met, and continues to meet, the Minimum Holding Requirement, except:

- in order to satisfy tax withholding obligations in connection with the exercise, vesting and/or settlement of an equity award;
- in order to satisfy payment of a stock option exercise price;
- in respect of the sale of up to 25% of the net number of shares issued upon the exercise, vesting and/or settlement of an equity award (*i.e.*, the number of shares issued after giving effect to any surrender of shares in satisfaction of tax withholding or payment of a stock option exercise price); and
- in respect of any sign-on equity award granted to an MD pursuant to an offer of employment.

The Compensation Committee shall review any failure by an MD to achieve compliance with his or her Minimum Holding Requirement within the applicable time period, and shall determine whether a penalty or other corrective action shall be imposed on the MD for failure to comply.

Calculations and Statements

During the first calendar quarter of each year, the Company will deliver to each MD a statement of his or her equity holdings (the "Statement") that count towards the satisfaction of his or her Minimum Holding Requirement. The Minimum Holding Requirement shall be calculated from time to time based on the closing price per Share as of a reasonably recent date.

The following holdings will count as Shares for purposes of satisfying the Minimum Holding Requirement:

- Shares held through 401(k), savings and profit sharing plans;
- The after-tax value of any unvested restricted stock units, based on the closing price per Share on the trading date immediately preceding the date used to determine the Minimum Holding Requirement and an assumed tax rate of 40%; and
- All outstanding Shares held by the MD.

For purpose of clarity, Shares shall not include any vested or unvested options, performance stock units, warrants or other rights not listed above exercisable for or convertible into Shares, unless and until Shares under such awards are actually issued to an MD. Outstanding Shares shall only count towards an MD's Minimum Holding Requirement to the extent that such Shares are (i) owned outright by the MD; or (ii) held in trust for the sole benefit of the MD or his or her spouse.

In the event there is a decline in the Company's stock price that causes an MD's holdings to fall below the MD's Minimum Holding Requirement, the MD will not be required to purchase additional shares to meet the threshold, but such MD shall not sell or transfer any Shares until the Minimum Holding Requirement has again been achieved.

Exceptions

The Ownership Guidelines may be waived, at the discretion of the Compensation Committee, if compliance would create severe hardship or prevent an MD from complying with a court order, as in the case of a divorce settlement. It is expected that these instances will be rare.

Effective as of March 1, 2022