

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

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

December 10, 2015
Date of report (date of earliest event reported)

LPL Financial Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdictions of
incorporation or organization)

001-34963
(Commission File Number)

20-3717839
(I.R.S. Employer Identification
Nos.)

75 State Street
Boston, MA 02109
(Address of principal executive offices) (Zip Code)

(617) 423-3644
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.02. Termination of a Material Definitive Agreement.

Early Settlement of Accelerated Share Repurchase Program

On November 24, 2015, LPL Financial Holdings Inc. (“Company”) entered into a master confirmation and a supplemental confirmation (the “ASR Agreements”) with Goldman, Sachs & Co. (“Goldman”) in connection with a capped accelerated share repurchase program (the “ASR Program”).

Pursuant to the ASR Agreements, the Company paid Goldman \$250 million (the “Prepayment Amount”) and Goldman agreed to deliver shares of the Company’s common stock (the “Common Stock”) at various intervals during the ASR Program (the “Transaction”). The final number of shares to be repurchased under the ASR Program was to be based generally on the average of the daily volume-weighted average price of the Common Stock during a repurchase period, which price was subject to a cap. A summary description of the ASR Agreements and the Transaction were disclosed in the Company’s Current Report on Form 8-K filed on November 24, 2015.

On December 10, 2015, the Company entered into an early settlement agreement (the “ESA”) with Goldman to settle and terminate the Transaction. Under the ESA, all of the respective rights and obligations of the parties under the Transaction will be terminated upon the Company’s receipt of the Required Shares (as defined below). In consideration for such termination, Goldman agreed to deliver on December 15, 2015, 5,622,628 of shares of Common Stock (the “Required Shares”) against the Prepayment Amount. Of the Required Shares, 4,319,537 shares were acquired by Goldman from TPG Partners IV, L.P. (“TPG”) pursuant to a purchase agreement that was directly negotiated between Goldman and TPG. Following the sale by TPG to Goldman, TPG owns 8,567,572, or approximately 9.6%, of the outstanding shares of Common Stock. The Company did not incur any material early termination penalties under the ASR Agreements in connection with entering into the ESA.

The Company and TPG are parties to a stockholders’ agreement, dated November 23, 2010 (as amended, the “Stockholders’ Agreement”), which was previously filed with the Commission. Two of the Company’s directors, Richard W. Boyce and Richard P. Schifter, were each initially elected to the Company’s board of directors (the “Board”) pursuant to the Stockholders’ Agreement. Neither of Messrs. Boyce nor Schifter participated in the review or approval of the ESA on behalf of the Company. The ESA was approved by the audit committee of the Board, which consists solely of disinterested directors, pursuant to the Company’s related person transaction policy, and a special committee of the Board with delegated authority to approve terms relating to the ASR Program.

A copy of the ESA is attached to this Current Report on Form 8-K as Exhibit 10.1 and is incorporated herein by reference as though fully set forth herein. The foregoing summary description of the ESA and the transactions contemplated thereby is not intended to be complete, and is qualified in its entirety by the complete text of the ESA.

Item 7.01 Regulation FD.

On December 10, 2015, the Company issued a press release announcing the ESA and the termination of the ASR Agreements. A copy of the press release is furnished with this Form 8-K and attached hereto as Exhibit 99.1.

Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Early Settlement Agreement, dated December 10, 2015, between LPL Financial Holdings Inc. and Goldman, Sachs & Co.

SIGNATURE

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 hereunto duly authorized.

LPL FINANCIAL HOLDINGS INC.

By: /s/ Matthew J. Audette

Matthew J. Audette
Chief Financial Officer

Dated: December 10, 2015

EARLY SETTLEMENT AGREEMENT

This EARLY SETTLEMENT AGREEMENT (this “**Early Settlement Agreement**”) is made by and between Goldman, Sachs & Co. (“**GS&Co.**”) and LPL Financial Holdings Inc. (“**Counterparty**”) as of this December 10, 2015.

WHEREAS, on November 24, 2015, GS&Co. and Counterparty entered into (i) a master confirmation setting forth certain terms and provisions of a capped accelerated stock buyback program (the “**Master Confirmation**”) and (ii) a supplemental confirmation in connection therewith (the “**Supplemental Confirmation**”) evidencing the terms of a certain Transaction pursuant to the Master Confirmation (the “**Transaction**”);

WHEREAS, GS&Co. has agreed to purchase from TPG Partners IV, L.P. (“**TPG**”), and TPG has agreed to sell to GS&Co., 4,319,537 Shares (the “**TPG Shares**”) pursuant to the terms of an agreement between GS&Co. and TPG dated on or about the date hereof (the “**TPG Agreement**”);

WHEREAS, the parties hereto desire to settle the Transaction on December 15, 2015 (the “**Settlement Date**”) upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of their covenants contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. *Definitions.* Any capitalized term that is used but not defined herein shall have the meaning given thereto in the Master Confirmation, as supplemented by the Supplemental Confirmation.

2. *Termination; Settlement.*

(a) Upon Counterparty’s receipt of the Required Shares (as defined below) at or before 8:00 p.m. New York City time on the Settlement Date, the Transaction shall be terminated in full, and all of the respective rights and obligations of the parties under the Transaction shall be cancelled and terminated, and each party shall be released and discharged by the other party, and agrees not to make any claim with respect to any obligations of the other party, in connection with such Transaction. For the avoidance of doubt, (i) such termination shall also terminate any Relevant Period and any Settlement Valuation Period in respect of such Transaction, and (ii) GS&Co. shall retain the Prepayment Amount following such termination.

(b) In consideration for the termination of the Transaction, GS&Co. agrees to deliver and/or cause to be delivered 5,622,628 Shares (the “**Required Shares**”) to Counterparty on the Settlement Date. This delivery obligation shall be satisfied as follows:

(i) GS&Co. shall use commercially reasonable efforts to cause TPG, pursuant to the TPG Agreement, to deliver the TPG Shares to Counterparty on or prior to the Settlement Date.

(ii) On the Settlement Date, promptly following confirmation from Counterparty that TPG has fulfilled its obligations set forth in subclause (i) above, GS&Co. shall deliver 1,303,091 Shares to Counterparty through the facilities of the Depository Trust Company at the account [account number].

(c) Notwithstanding anything to the contrary herein, if Counterparty does not receive the Required Shares by 8:00 pm New York time on the Settlement Date, (x) clauses (a) and (b) above shall not apply, (y) the Transaction shall not be terminated and (z) December 11, 14 and 15, 2015, shall each be a Disrupted Day in full.

3. *Representations and Warranties.*

(a) Each party represents and acknowledges to the other party that:

(i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or incorporation;

(ii) it has the power to execute and deliver, and perform its obligations under, this Early Settlement Agreement, and has taken all necessary action to duly authorize such execution, delivery and performance;

(iii) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(iv) all governmental and other consents that are required to have been obtained by it with respect to this Early Settlement Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

(v) its obligations under this Early Settlement Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(b) In addition, Counterparty represents and warrants to, and agrees with, GS&Co. that:

(i) upon the filing of a Form 8-K with the Securities and Exchange Commission in respect of this Early Settlement Agreement, Counterparty will not be not aware of any material non-public information with respect to Counterparty or the Shares;

(ii) Counterparty's board of directors (or a duly constituted committee consisting solely of disinterested directors) has approved Counterparty's entry into this Early Settlement Agreement;

(iii) Counterparty will make all filings required to be made by it under the Exchange Act and the rules and regulations thereunder with respect to this Early Settlement Agreement;

(iv) Counterparty will publicly disclose entry into this Early Settlement Agreement on the date hereof; and

(v) as of the date hereof and the Settlement Date, Counterparty is not "insolvent" (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code)).

(c) GS&Co. represents and warrants to Counterparty that it has provided to Counterparty a true and complete copy of the TPG Agreement.

4. *Governing Law; Jurisdiction.* Sections 22 (*Governing Law*) and 25 (*Submission to Jurisdiction*) of the Master Confirmation shall apply to this Early Settlement Agreement, *mutatis mutandis*.

5. *Counterparts.* This Early Settlement Agreement may be executed and delivered by e-mail in counterparts, each of which will be deemed an original. Transmission by e-mail of an executed counterpart shall be deemed to constitute due and sufficient delivery of such counterpart.

6. *Other Agreements.* The Transaction shall be the sole transaction terminated under this Early Settlement Agreement and such termination shall not, by itself, give rise to any termination or right of termination under any other agreement (or deemed agreement) between Counterparty and GS&Co. If there exists any agreement between Counterparty and GS&Co. (or any affiliate of GS&Co.), then notwithstanding anything to the contrary in such agreement, the termination contemplated by this Early Settlement Agreement shall not be considered a termination under, or otherwise affect, such agreement.

[Remainder of page left intentionally blank]

Counterparty hereby agrees (a) to check this Early Settlement Agreement carefully and promptly upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by GS&Co.) correctly sets forth the terms of the agreement between GS&Co. and Counterparty with respect to the Early Settlement Agreement, by manually signing this Early Settlement Agreement or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Equity Derivatives Documentation Department, facsimile No. 212-428-1980/83.

Yours sincerely,

GOLDMAN, SACHS & CO.

By: /s/ Eugene Parloff

Eugene Parloff

Vice President

Agreed and Accepted By:

LPL FINANCIAL HOLDINGS INC.

By: /s/ Matthew J. Audette

Matthew J. Audette

Chief Financial Officer

[Signature Page to Early Settlement Agreement]



For Immediate Release

LPL FINANCIAL ANNOUNCES EARLY COMPLETION OF ACCELERATED SHARE REPURCHASE PLAN

SAN DIEGO – Dec. 10, 2015 – LPL Financial Holdings Inc. (the “Company,” NASDAQ: LPLA), parent of leading retail investment advisory firm and independent broker/dealer LPL Financial LLC, today announced early completion of its previously announced accelerated share repurchase plan (“ASR”).

“We have now completed the first step of our previously announced \$500 million share repurchase program several months ahead of our expected timeline,” said Matthew Audette, chief financial officer. “We purchased 5.6 million¹ of our shares for \$250 million resulting in an average purchase price of \$44.46 per share.”

The Company entered into a three-to-six month, \$250 million ASR with Goldman, Sachs & Co. on Nov. 24, 2015. While Goldman was buying the Company’s shares for the ASR, TPG Capital approached Goldman about selling a block of shares, providing an opportunity to settle the ASR more quickly.

Audette continued, “We are pleased to complete the first \$250 million of our repurchase program much faster than anticipated. We look forward to deploying the second \$250 million over time as we plan to maintain flexibility and remain dynamic in our thinking as the environment evolves.”

Forward-Looking Statements

Statements in this press release, including those relating to the Company’s share repurchase program and accelerated share repurchase plan, as well as 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 are based on the Company’s historical performance and its plans, estimates, and expectations as of Dec. 10, 2015. Forward-looking statements are not guarantees that the future results, plans, intentions or expectations expressed or implied by the Company will be achieved. Matters subject to forward-looking statements involve known and unknown risks and uncertainties, including economic, legislative, regulatory, competitive, and other factors, which may cause actual financial or operating results, levels of activity, or the timing of events, to be materially different than those expressed or implied by forward-looking statements. Important factors that could cause or contribute to such differences include: the delivery of shares by Goldman in settlement of the ASR; the price and availability of shares and trading volumes of the Company’s common stock, which will determine the timing and size of future share repurchases; changes in general economic and financial market conditions, including retail investor sentiment; fluctuations in the value of advisory and brokerage assets; fluctuations in levels of net new advisory assets and the related impact on fee revenue; effects of competition in the financial services industry; changes in the number of the Company’s financial advisors and institutions, and their ability to market effectively financial products and services; changes in interest rates and fees payable by banks participating in the Company’s cash sweep program, including the Company’s success in negotiating agreements with current or additional counterparties; changes in the growth of the Company’s fee-based business; the effect of current, pending and future legislation, regulation and regulatory actions, including the fiduciary rule proposed by the U.S. Department of Labor and disciplinary actions imposed by federal and state securities regulators or self-regulatory organizations; the costs of settling and remediating issues related to pending or future regulatory matters; execution of the Company’s expense management plans and its success in realizing the savings and service improvements expected to result from its initiatives and programs, particularly its technological initiatives; the Company’s success in negotiating and developing commercial arrangements with third-party service providers; the performance of third-party service providers on which the Company relies; the Company’s ability to control operating risks, information technology systems risks, and sourcing risks; the Company’s ability to recruit new advisors and attract new business to its platform; and the other factors set forth in Part I, “Item 1A. Risk Factors” in the Company’s 2014 Annual Report on Form 10-K and any subsequent SEC filings.

¹ Goldman anticipates delivering 5,622,628 shares to the Company on Dec. 15, 2015.

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 release, even if its estimates change, and you should not rely on those statements as representing the Company's views as of any date subsequent to the date of this press release.

About LPL Financial

LPL Financial, a wholly owned subsidiary of LPL Financial Holdings Inc. (NASDAQ:LPLA), is a leader in the retail financial advice market and currently serves \$462 billion in advisory and brokerage assets. LPL is one of the fastest growing RIA custodians and is the nation's largest independent broker-dealer (based on total revenues, Financial Planning magazine June 1996-2015). The Company provides proprietary technology, comprehensive clearing and compliance services, practice management programs and training, and independent research to more than 14,000 independent financial advisors and over 700 banks and credit unions, enabling them to help their clients turn life's aspirations into financial realities. Advisors associated with LPL also service an estimated 40,000 retirement plans with an estimated \$115 billion in retirement plan assets, as of September 30, 2015. LPL also supports approximately 4,300 financial advisors licensed and affiliated with insurance companies with customized clearing, advisory platforms, and technology solutions. LPL Financial and its affiliates have 3,413 employees with primary offices in Boston, Charlotte, and San Diego. For more information, please visit www.lpl.com.

Securities and advisory services offered through LPL Financial. A registered investment advisor, member FINRA/SIPC.

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