
**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**

May 11, 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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

e) On May 11, 2015, the stockholders of LPL Financial Holdings Inc. (the “Company”) approved the amendment and restatement of the Company’s 2010 Omnibus Equity Incentive Plan (the “Amended 2010 Plan”). The material terms of the Amended 2010 Plan are summarized on pages 18-27 of the Company’s definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission on March 27, 2015 (the “Proxy Statement”), which description is incorporated by reference. The description of the Amended 2010 Plan is qualified in its entirety by reference to the actual terms of the plan, which is attached to this Current Report on Form 8-K as Exhibit 10.1.

On May 11, 2015, the Company’s stockholders also approved the amendment and restatement of the Company’s Corporate Executive Bonus Plan (the “Amended Bonus Plan”). The material terms of the Amended Bonus Plan are summarized on pages 28-30 of the Proxy Statement, which description is incorporated by reference. The description of the Amended Bonus Plan is qualified in its entirety by reference to the actual terms of the plan, which is attached to this Current Report on Form 8-K as Exhibit 10.2.

Item 5.07 Submission of Matters to a Vote of Security Holders.

The Company held its 2015 annual meeting of stockholders (the “Annual Meeting”) on May 11, 2015. The stockholders of the Company considered and acted upon the following proposals:

1. *Election of Directors.* By the vote reflected below, the stockholders elected the following eight individuals to serve as directors of the Company until the 2016 annual meeting of stockholders and until their respective successors are duly elected and qualified:

Nominee	Votes For	Votes Against	Abstentions	Broker Non-Votes
Richard W. Boyce	82,070,513	918,089	88,937	6,650,709
John J. Brennan	82,482,540	506,161	88,837	6,650,709
Mark S. Casady	81,828,554	1,132,950	116,035	6,650,709
H. Paulett Eberhart	82,549,012	439,011	89,516	6,650,709
Anne M. Mulcahy	82,143,024	845,204	89,311	6,650,709
James S. Putnam	82,483,118	505,814	88,606	6,650,709
James S. Riepe	82,476,978	510,503	90,058	6,650,709
Richard P. Schiffer	82,047,949	940,524	89,066	6,650,709

2. *Approval of the Amendment and Restatement of the Company’s 2010 Omnibus Equity Incentive Plan.* The stockholders approved an amendment and restatement of the Company’s 2010 Omnibus Equity Incentive Plan. 73,583,734 shares voted for the proposal; 9,362,094 shares voted against the proposal; and 131,711 shares abstained from voting on the proposal. There were 6,650,709 broker non-votes on the proposal.

3. *Approval of the Amendment and Restatement of the Company’s Corporate Executive Bonus Plan.* The stockholders approved an amendment and restatement of the Company’s Corporate Executive Bonus Plan. 78,694,702 shares voted for the proposal; 4,248,249 shares voted against the proposal; and 134,588 shares abstained from voting on the proposal. There were 6,650,709 broker non-votes on the proposal.

4. *Ratification of the Appointment of Deloitte & Touche LLP by the Audit Committee of the Board as the Company’s Independent Registered Public Accounting Firm for the Fiscal Year Ending December 31, 2015.* The stockholders ratified the appointment of Deloitte & Touche LLP by the audit committee of the Board as the Company’s independent registered public accounting firm for the current fiscal year. 89,135,955 shares voted for the proposal; 484,801 shares voted against the proposal; and 107,491 shares abstained from voting on the Proposal. There were no broker non-votes on the proposal.

5. *Advisory Vote on Executive Compensation.* The stockholders approved, on an advisory, non-binding basis, the compensation paid to the named executive officers of the Company, as disclosed in the Proxy Statement relating to the Annual Meeting. 79,199,565 shares voted for the proposal; 3,734,440 shares voted against the proposal; and 143,534 shares abstained from voting on the proposal. There were 6,650,709 broker non-votes on the proposal.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 LPL Financial Holdings Inc. Amended and Restated 2010 Omnibus Equity Incentive Plan

10.2 LPL Financial Holdings Inc. Amended and Restated Corporate Executive Bonus Plan

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/ David P. Bergers

Name: David P. Bergers

Title: General Counsel

Dated: May 15, 2015

LPL FINANCIAL HOLDINGS INC.
AMENDED AND RESTATED 2010 OMNIBUS EQUITY INCENTIVE PLAN

1. DEFINED TERMS

Exhibit A, which is incorporated by reference, defines the terms used in the Plan and sets forth certain operational rules related to those terms.

2. PURPOSE; EFFECTIVE DATE

The Plan has been established to advance the interests of the Company by providing for the grant to Participants of Awards. The Plan is an amendment and restatement of the LPL Financial Holdings Inc. 2010 Omnibus Equity Incentive Plan. This Plan is effective as of the Amendment Date, subject to its approval by the Company's shareholders at the Company's annual meeting in 2015.

3. ADMINISTRATION

The Administrator has discretionary authority, subject only to the express provisions of the Plan, to interpret the Plan; determine eligibility for and grant Awards; determine, modify or waive the terms and conditions of any Award; determine the form of settlement of Awards (whether in cash, shares of Stock or other property); prescribe forms, rules and procedures relating to the Plan; and otherwise do all things necessary or appropriate to carry out the purposes of the Plan. Determinations of the Administrator made under the Plan will be conclusive and will bind all parties.

4. LIMITS ON AWARDS UNDER THE PLAN

(a) **Number of Shares.** The maximum number of shares of Stock that may be delivered in satisfaction of Awards under the Plan shall be:

- (1) 14,335,457 shares of Stock (which includes 6,335,457 shares of stock that were available for grant under the 2010 Omnibus Equity Incentive Plan prior to its amendment and restatement on the Amendment Date), plus
- (2) up to 4,722,688 shares of Stock that become available for grant after the Amendment Date under Awards outstanding as of the Amendment Date (excluding, for the avoidance of doubt, Awards made on the Amendment Date) ("Outstanding Awards") to the extent such Outstanding Awards are forfeited, expire or terminate without the issuance of Stock thereunder, plus
- (3) up to 1,930,215 shares of Stock that become available for grant after the Amendment Date under awards outstanding under the Company's Existing Plans as of the Amendment Date to the extent such outstanding awards are forfeited, expire or terminate without the issuance of Stock thereunder.

Such maximum number of Shares, as calculated in accordance with the preceding sentence is referred to herein as the "Share Limit." For purposes of the Share Limit, (i) each share of Stock subject to a Stock Option or SAR shall count as one (1) share and each share of Stock subject to any other Award shall count as three (3) shares; (ii) shares of Stock issued under the Plan shall include only the number of shares actually issued under the Plan and shall not include shares of Stock subject to an Award to the extent the Award expires, terminates or is forfeited without the issuance of Stock; *provided, however*, that shares of Stock retained or withheld by or delivered to the Company to satisfy any purchase or exercise price or the payment of any withholding taxes in connection with any Award and the total number of shares subject to a SAR any portion of which is settled in Stock shall be treated as issued under the Plan; *provided further*, that, for the avoidance of doubt, the Share Limit shall not be increased by any shares of Stock that have been retained or withheld by or delivered to the Company to satisfy any purchase or exercise price

or the payment of any withholding taxes in connection with any Award nor by any shares of Stock that are subsequently repurchased using proceeds directly attributable to Stock Option exercises; and (iii) to the extent an Award expires, terminates or is forfeited without the issuance of Stock on or after the Amendment Date, the Share Limit shall be appropriately increased, (A) with respect to all Outstanding Awards and any awards outstanding prior to the Amendment Date under the Existing Plans, by one (1) share of Stock for each unissued share underlying all such Awards, and (B) with respect to all Awards granted on or after the Amendment Date, consistent with the foregoing clause (i). To the extent consistent with the requirements of Section 422 and with other applicable legal requirements (including applicable stock exchange requirements), Stock issued under awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition shall not reduce the number of shares of Stock available for Awards under the Plan.

(b) **ISO Shares**. The maximum number of shares of Stock deliverable upon the exercise of ISOs is 10,000,000 shares.

(c) **Type of Shares**. Stock delivered by the Company under the Plan may be authorized but unissued Stock or previously issued Stock acquired by the Company. No fractional shares of Stock will be delivered under the Plan.

(d) **Section 162(m) Limits**. The maximum number of shares of Stock for which Stock Options may be granted to any person in a calendar year and the maximum number of shares of Stock subject to SARs granted to any person in any calendar year will each be 1,000,000. The maximum number of shares subject to Awards other than Stock Options or SARs granted to any person in any calendar year will be 500,000 shares. The maximum amount payable to any person in any calendar year under Cash Awards will be \$10,000,000. In applying the foregoing limits, (i) all Awards of the specified type granted to the same person in the same calendar year will be aggregated and made subject to one limit; (ii) the limits applicable to Stock Options and SARs refer to the number of shares of Stock subject to those Awards; and (iii) the share limit applicable to Awards other than Stock Options or SARs refers to the maximum number of shares of Stock that may be delivered, or the value of which could be paid in cash or other property, under an Award or Awards, other than Stock Options or SARs, assuming a maximum payout. The foregoing provisions will be construed in a manner consistent with Section 162(m), including, without limitation, where applicable, the rules under Section 162(m) pertaining to permissible deferrals of exempt awards.

(e) **Non-Employee Director Limits**. Notwithstanding any other provision of the Plan to the contrary, including subsection (d) above, a Participant who is a non-employee Director, in any calendar year, may not receive Awards having an aggregate grant date fair value (computed as of the date of grant in accordance with applicable financial accounting rules) in excess of \$500,000. The foregoing limits shall not apply to any Award or shares of Stock granted pursuant to a Director's election to receive an Award or shares of Stock in lieu of cash retainers or other fees (to the extent such Award or shares of Stock have a fair value equal to the value of such cash retainers or other fees).

5. ELIGIBILITY AND PARTICIPATION

The Administrator will select Participants from among those key Employees, registered representatives, and Directors of, and consultants and advisors to, the Company or its Affiliates who, in the opinion of the Administrator, are in a position to make a significant contribution to the success of the Company and its Affiliates; *provided, however*, that, subject to such express exceptions, if any, as the Administrator may establish, eligibility shall be further limited to those persons as to whom the use of a Form S-8 registration statement is permissible. Eligibility for ISOs is limited to employees of the Company or of a "parent corporation" or "subsidiary corporation" of the Company as those terms are defined in Section 424 of the Code. Eligibility for Awards other than ISOs are limited to individuals described in the first sentence of this Section 5 who are providing direct services on the date of grant of the Award to the Company or to a subsidiary of the Company that would be described in the first sentence of Treas. Regs. § 1.409A-1(b)(5)(iii)(E).

6. RULES APPLICABLE TO AWARDS

(a) **All Awards**

(1) **Award Provisions.** The Administrator will determine the terms of all Awards, subject to the limitations provided herein. By accepting (or, under such rules as the Administrator may prescribe, being deemed to have accepted) an Award, the Participant will be deemed to have agreed to the terms of the Award and the Plan. Notwithstanding any provision of this Plan to the contrary, awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition may contain terms and conditions that are inconsistent with the terms and conditions specified herein, as determined by the Administrator.

(2) **Term of Plan.** No Awards may be made after the date that is one day before the 10th anniversary of the Amendment Date, but previously granted Awards may continue beyond that date in accordance with their terms.

(3) **Vesting, etc.** The Administrator will determine the time or times at which an Award will vest or become exercisable and the terms on which an Award requiring exercise will remain exercisable. Without limiting the foregoing, the Administrator may at any time accelerate the vesting or exercisability of an Award, regardless of any adverse or potentially adverse tax or other consequences resulting from such acceleration. Unless the Administrator expressly provides otherwise, however, the following rules will apply if a Participant's Employment ceases:

(A) Immediately upon the cessation of the Participant's Employment, each Award requiring exercise that is then held by the Participant or by the Participant's permitted transferees, if any, will cease to be exercisable and will terminate, except to the extent otherwise provided in (B), (C), (D) or (E) below, and all other Awards that are then held by the Participant or by the Participant's permitted transferees, if any, to the extent not already vested will be forfeited.

(B) Subject to (C), (D) and (E) below, all Stock Options and SARs held by the Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment, to the extent then exercisable, will remain exercisable for the lesser of (i) a period of 90 days or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate;

(C) All Stock Options and SARs held by a Participant or the Participant's permitted transferees, if any, immediately prior to the Participant's death or total and permanent disability (as determined by the Administrator in its sole discretion), to the extent then exercisable, will remain exercisable for the lesser of (i) the one year period ending with the first anniversary of the Participant's death or the date on which the Participant becomes so disabled, as applicable, or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate;

(D) All Stock Options and SARs held by a Participant or the Participant's permitted transferees, if any, on the date of the Participant's Retirement, to the extent then exercisable (for the avoidance of doubt, after giving effect to any accelerated vesting upon Retirement) will remain exercisable for the lesser of (i) a period of two years or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon terminate; *provided, however,* that all Stock Options and SARs will terminate immediately in the event the Board determines that the Participant is (i) not in compliance with any non-competition or non-solicitation or non-disclosure agreement with the Company, or (ii) if no such agreement exists, engages in Competitive Activity, within twelve (12) months following the Participant's Retirement in violation of a Participant's Award agreement; and

(E) All Stock Options and SARs (whether or not exercisable) held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment will immediately terminate upon such cessation of Employment if the Administrator in its sole discretion determines that such cessation of Employment is for Cause.

(4) **Transferability.** Neither ISOs nor, except as the Administrator otherwise expressly provides in accordance with the third sentence of this Section 6(a)(4), Awards that are not ISOs may be transferred other than

by will or by the laws of descent and distribution. During a Participant's lifetime, ISOs (and, except as the Administrator otherwise expressly provides in accordance with the third sentence of this Section 6(a)(4), other Awards requiring exercise that are not ISOs) may be exercised only by the Participant. The Administrator may permit Awards that are not ISOs, but not Awards that are ISOs, to be transferred by gift, subject to such limitations as the Administrator may impose.

(5) **Additional Restrictions**. The Administrator may cancel, rescind, withhold or otherwise limit or restrict any Award at any time if the Participant is not in compliance with all applicable provisions of the Award agreement and the Plan, or if the Participant breaches any agreement with the Company or its Affiliates with respect to non-competition, non-solicitation or confidentiality. Without limiting the generality of the foregoing, the Administrator may recover Awards made under the Plan and payments under or gain in respect of any Award in accordance with the Company's Recoupment Policy, as such policy may be amended and in effect from time to time, or as otherwise required by applicable law or applicable stock exchange listing standards, including, without limitation, Section 10D of the Exchange Act.

(6) **Taxes**. The delivery, vesting and retention of Stock, cash or other property under an Award is conditioned upon full satisfaction by the Participant of all tax withholding requirements with respect to the Award. The Administrator will make such provision for the withholding and payment of taxes as it deems necessary. Such taxes shall be remitted to the Company by cash or check acceptable to the Administrator or by other means acceptable to the Administrator. In particular, but not in limitation of the foregoing, the Administrator may, but need not, hold back shares of Stock from an Award or permit a Participant to tender previously owned shares of Stock in satisfaction of tax withholding requirements (but not in excess of the minimum withholding required by law).

(7) **Dividend Equivalents, Etc.** The Administrator may in its sole discretion provide for the payment of amounts (on terms and subject to conditions established by the Administrator) in lieu of cash dividends or other cash distributions with respect to Stock subject to an Award whether or not the holder of such Award is otherwise entitled to share in the actual dividend or distribution in respect of such Award. Any entitlement to dividend equivalents or similar entitlements shall be established and administered consistent either with an exemption from, or in compliance with, the requirements of Section 409A. In addition, any amounts payable in respect of Awards that are subject to restrictions may be subject to such limits or restrictions as the Administrator may impose.

(8) **Rights Limited**. Nothing in the Plan will be construed as giving any person the right to continued employment or service with the Company or its Affiliates, or any rights as a stockholder except as to shares of Stock actually issued under the Plan. The loss of existing or potential profit in Awards will not constitute an element of damages in the event of termination of Employment for any reason, even if the termination is in violation of an obligation of the Company or any Affiliate to the Participant.

(9) **Section 162(m)**. This Section 6(a)(9) applies to any Performance Award intended to qualify as performance-based for the purposes of Section 162(m) other than a Stock Option or SAR. In the case of any Performance Award to which this Section 6(a)(9) applies, the Plan and such Award will be construed to the maximum extent permitted by law in a manner consistent with qualifying the Award for such exception. With respect to such Performance Awards, the Administrator will pre-establish, in writing, one or more specific Performance Criteria no later than ninety (90) days after the commencement of the period of service to which the performance relates (or at such earlier time as is required to qualify the Award as performance-based under Section 162(m)). Prior to grant, vesting or payment of the Performance Award, as the case may be, the Administrator will certify whether the applicable Performance Criteria have been attained and such determination will be final and conclusive.

(10) **Coordination with Other Plans**. Awards under the Plan may be granted in tandem with, or in satisfaction of or substitution for, other Awards made under the Plan or awards made under other compensatory plans or programs of the Company or its Affiliates. For example, but without limiting the generality of the foregoing, awards under other compensatory plans or programs of the Company or its Affiliates may be settled in Stock (including, without limitation, Unrestricted Stock) if the Administrator so determines, in which case the

shares delivered shall be treated as awarded under the Plan (and shall reduce the number of shares thereafter available under the Plan in accordance with the rules set forth in Section 4). In any case where an award is made under another plan or program of the Company or its Affiliates and such award is intended to qualify for the performance-based compensation exception under Section 162(m), and such award is settled by the delivery of Stock or another Award under the Plan, the applicable Section 162(m) limitations under both the other plan or program and under the Plan shall be applied to the Plan as necessary (as determined by the Administrator) to preserve the availability of the Section 162(m) performance-based compensation exception with respect thereto.

(11) **Section 409A.** Each Award shall contain such terms as the Administrator determines, and shall be construed and administered, such that the Award either (i) qualifies for an exemption from the requirements of Section 409A to the extent applicable, or (ii) satisfies such requirements.

(12) **Fair Market Value.** In determining the fair market value of any share of Stock under the Plan, the Administrator will make the determination in good faith consistent with the rules of Section 422 and Section 409A, to the extent applicable.

(13) **Certain Requirements of Corporate Law.** Awards shall be granted and administered consistent with the requirements of applicable Delaware law relating to the issuance of stock and the consideration to be received therefor, and with the applicable requirements of the stock exchanges or other trading systems on which the Stock is listed or entered for trading, in each case as determined by the Administrator.

(b) **Awards Requiring Exercise.**

(1) **Time and Manner of Exercise.** Unless the Administrator expressly provides otherwise, an Award requiring exercise will not be deemed to have been exercised until the Administrator receives a notice of exercise (in form acceptable to the Administrator), which may be an electronic notice, signed (including electronic signature in form acceptable to the Administrator) by the appropriate person and accompanied by any payment required under the Award. If the Award is exercised by any person other than the Participant, the Administrator may require satisfactory evidence that the person exercising the Award has the right to do so.

(2) **Exercise Price.** The exercise price (or the base value from which appreciation is to be measured) of each Award requiring exercise shall be no less than 100% (or in the case of an ISO granted to a ten-percent shareholder within the meaning of subsection (b)(6) of Section 422, 110%) of the fair market value of the Stock subject to the Award, determined as of the date of grant, or such higher amount as the Administrator may determine in connection with the grant. Except in connection with a corporate transaction involving the Company (which term shall include, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares) or as otherwise contemplated by Section 7 of the Plan, the Company may not, without obtaining stockholder approval in accordance with the applicable requirements of the NASDAQ Global Select Market, (A) amend the terms of outstanding Stock Options or SARs to reduce the exercise price or base value of such Stock Options or SARs, (B) cancel outstanding Stock Options or SARs in exchange for Stock Options or SARs with an exercise price or base value that is less than the exercise price or base value of the original Stock Options or SARs, or (C) cancel outstanding Stock Options or SARs that have an exercise price or base value greater than the fair market value of a share of Stock on the date of such cancellation in exchange for cash or other consideration.

(3) **Payment of Exercise Price.** Where the exercise of an Award is to be accompanied by payment, payment of the exercise price shall be by cash or check acceptable to the Administrator, or, if so permitted by the Administrator and if legally permissible, (i) through the delivery of unrestricted shares of Stock that have a fair market value equal to the exercise price, (ii) through a broker-assisted exercise program acceptable to the Administrator, (iii) through the withholding of shares of Stock otherwise to be delivered upon exercise of the Award whose fair market value is equal to the aggregate exercise price of the Award being exercised, (iv) by other means acceptable to the Administrator, or (v) by any combination of the foregoing permissible forms of payment. No Award requiring exercise or portion thereof may be exercised unless, at the time of exercise, the fair market value of the shares of Stock subject to such Award or portion thereof exceeds the exercise price for the Award or such portion. The delivery of shares in payment of the exercise price under clause (i) above may be accomplished either

by actual delivery or by constructive delivery through attestation of ownership, subject to such rules as the Administrator may prescribe.

(4) **Maximum Term.** Awards requiring exercise will have a maximum term not to exceed ten (10) years from the date of grant (or five (5) years from the date of grant in the case of an ISO granted to a ten-percent shareholder within the meaning of subsection (b)(6) of Section 422); *provided, however*, that, with respect to NSOs or SARs granted on or after the Amendment Date, if a Participant still holding an outstanding but unexercised NSO or SAR ten (10) years from the date of grant (or, in the case of an NSO or SAR with a maximum term of less than ten (10) years, such maximum term) is prohibited by applicable law or a written policy of the Company applicable to similarly situated employees from engaging in any open-market sales of Stock, and if at such time the Stock is publicly traded (as determined by the Administrator), the maximum term of such Award will instead be deemed to expire on the thirtieth (30th) day following the date the Participant is no longer prohibited from engaging in such open market sales.

7. EFFECT OF CERTAIN TRANSACTIONS

(a) **Mergers, etc.** Except as otherwise provided in an Award, the Administrator shall, in its sole discretion, determine the effect of a Covered Transaction on Awards, which determination may include, but is not limited to, taking the following actions:

(1) **Assumption or Substitution.** If the Covered Transaction is one in which there is an acquiring or surviving entity, the Administrator may (but, for the avoidance of doubt, need not) provide for the assumption or continuation of some or all outstanding Awards or any portion thereof or for the grant of new awards in substitution therefor by the acquiror or survivor or an affiliate of the acquiror or survivor.

(2) **Cash-Out of Awards.** If the Covered Transaction is one in which holders of Stock will receive upon consummation a payment (whether cash, non-cash or a combination of the foregoing), then subject to Section 7(a)(5) below the Administrator may (but, for the avoidance of doubt, need not) provide for payment (a “cash-out”), with respect to some or all Awards or any portion thereof, equal in the case of each affected Award or portion thereof to the excess, if any, of (A) the fair market value of one share of Stock times the number of shares of Stock subject to the Award or such portion, over (B) the aggregate exercise or purchase price, if any, under the Award or such portion (in the case of an SAR, the aggregate base value above which appreciation is measured), in each case on such payment terms (which need not be the same as the terms of payment to holders of Stock) and other terms, and subject to such conditions, as the Administrator determines; it being understood that if the exercise or purchase price (or base value) of an Award is equal to or greater than the fair market value of one share of Stock, the Award may be canceled with no payment due hereunder.

(3) **Acceleration of Certain Awards.** If the Covered Transaction (whether or not there is an acquiring or surviving entity) is one in which there is no assumption, substitution or cash-out, then subject to Section 7(a)(5) below the Administrator may (but, for the avoidance of doubt, need not) provide that any Award requiring exercise will become exercisable, in full or in part, and/or that the delivery of any shares of Stock remaining deliverable under any outstanding Award of Stock Units (including Restricted Stock Units and Performance Awards to the extent consisting of Stock Units) will be accelerated in full or in part and such shares will be delivered, prior to the Covered Transaction, in each case on a basis that gives the holder of the Award a reasonable opportunity, as determined by the Administrator, following exercise of the Award or the delivery of the shares, as the case may be, to participate as a stockholder in the Covered Transaction.

(4) **Termination of Awards upon Consummation of Covered Transaction.** Except as the Administrator may otherwise determine in any case, each Award will terminate automatically upon consummation of the Covered Transaction, other than the following: (i) Awards assumed pursuant to Section 7(a)(1) above, and (ii) outstanding shares of Restricted Stock (which will be treated in the same manner as other shares of Stock, subject to Section 7(a)(5) below).

(5) **Additional Limitations.** Any share of Stock and any cash or other property delivered pursuant to Section 7(a)(2) or Section 7(a)(3) above with respect to an Award may, in the discretion of the Administrator, contain such restrictions, if any, as the Administrator deems appropriate to reflect any performance

or other vesting conditions to which the Award was subject and that did not lapse (and were not satisfied) in connection with the Covered Transaction. For purposes of the immediately preceding sentence, a cash-out under Section 7(a)(2) above or the acceleration of exercisability of an Award under Section 7(a)(3) above shall not, in and of itself, be treated as the lapsing (or satisfaction) of a performance or other vesting condition. In the case of Restricted Stock that does not vest in connection with the Covered Transaction, the Administrator may require that any amounts delivered, exchanged or otherwise paid in respect of such Stock in connection with the Covered Transaction be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate to carry out the intent of the Plan.

(b) Changes in and Distributions With Respect to Stock

(1) Basic Adjustment Provisions. In the event of a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in the Company's capital structure that constitutes an equity restructuring within the meaning of FASB ASC Topic 718 (or any successor provision), the Administrator shall make appropriate adjustments to the Share Limit and share counting provisions specified in Section 4(a), the maximum number of shares of Stock that may be delivered in satisfaction of ISOs under the Plan specified in Section 4(b) and the maximum share limits described in Section 4(d) and Section 4(e), and will also make appropriate adjustments to the number and kind of shares of stock or securities subject to Awards then outstanding or subsequently granted, any exercise or purchase prices (or base values) relating to Awards and any other provision of Awards affected by such change.

(2) Certain Other Adjustments. The Administrator may also make adjustments of the type described in Section 7(b)(1) above to take into account distributions to stockholders other than those provided for in Section 7(a) and 7(b)(1), or any other event, if the Administrator determines that adjustments are appropriate to avoid distortion in the operation of the Plan and to preserve the value of Awards made hereunder, having due regard for the qualification of ISOs under Section 422, the requirements of Section 409A and the performance-based compensation rules of Section 162(m), where applicable.

(3) Continuing Application of Plan Terms. References in the Plan to shares of Stock will be construed to include any stock or securities resulting from an adjustment pursuant to this Section 7.

8. LEGAL CONDITIONS ON DELIVERY OF STOCK

The Company will use commercially reasonable efforts to satisfy applicable legal requirements for the issuance of shares of Stock pursuant to the exercise of any Award. The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or to remove any restriction from shares of Stock previously delivered under the Plan until: (i) the Company is satisfied that all legal matters in connection with the issuance and delivery of such shares have been addressed and resolved; (ii) if the outstanding Stock is at the time of delivery listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and (iii) all conditions of the Award have been satisfied or waived. The Company may require, as a condition to exercise of the Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of the Securities Act of 1933, as amended, or any applicable state or non-U.S. securities law. Any Stock required to be issued to Participants under the Plan will be evidenced in such manner as the Administrator may deem appropriate, including book-entry registration or delivery of stock certificates. In the event that the Administrator determines that Stock certificates will be issued to Participants under the Plan, the Administrator may require that certificates evidencing Stock issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Stock, and the Company may hold the certificates pending lapse of the applicable restrictions.

9. AMENDMENT AND TERMINATION

The Administrator may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by law, and may at any time terminate the Plan as to any future grants of Awards; *provided, however*, that, except as otherwise expressly provided in the Plan, the Administrator may not, without the Participant's consent, alter the terms of an Award so as to affect materially and adversely the Participant's rights under the Award, unless the Administrator expressly reserved the right to do so at the time the

Award was granted. Any amendments to the Plan shall be conditioned upon stockholder approval only to the extent, if any, such approval is required by law (including the Code and applicable stock exchange requirements), as determined by the Administrator.

10. OTHER COMPENSATION ARRANGEMENTS

The existence of the Plan or the grant of any Award will not in any way affect the Company's right to award a person bonuses or other compensation in addition to Awards under the Plan.

11. MISCELLANEOUS

(a) **Waiver of Jury Trial.** By accepting an Award under the Plan, each Participant waives any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan and any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees that any such action, proceedings or counterclaim shall be tried before a court and not before a jury. By accepting an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or otherwise, that the Company would not, in the event of any action, proceeding or counterclaim, seek to enforce the foregoing waivers. Notwithstanding anything to the contrary in the Plan, nothing herein is to be construed as limiting the ability of the Company and a Participant to agree to submit disputes arising under the terms of the Plan or any Award made hereunder to binding arbitration or as limiting the ability of the Company to require any eligible individual to agree to submit such disputes to binding arbitration as a condition of receiving an Award hereunder.

(b) **Limitation of Liability.** Notwithstanding anything to the contrary in the Plan, neither the Company, nor any Affiliate, nor the Administrator, nor any person acting on behalf of the Company, any Affiliate, or the Administrator, shall be liable to any Participant or to the estate or beneficiary of any Participant or to any other holder of an Award by reason of any acceleration of income, or any additional tax (including any interest and penalties), asserted by reason of the failure of an Award to satisfy the requirements of Section 422 or Section 409A or by reason of Section 4999 of the Code, or otherwise asserted with respect to the Award.

(c) **Rule 16b-3.** During any time when the Company has a class of equity security registered under Section 12 of the Exchange Act, it is the intent of the Company that Awards pursuant to the Plan and the exercise of any Awards granted hereunder that would otherwise be subject to Section 16(b) of the Exchange Act will qualify for exemption provided by Rule 16b-3 under the Exchange Act. To the extent that any provision of the Plan or action by the Administrator does not comply with the requirements of Rule 16b-3, it shall be deemed inoperative with respect to such Awards to the extent permitted by law and deemed advisable by the Administrator, and shall not affect the validity of the Plan. In the event that Rule 16b-3 is revised or replaced, the Administrator may exercise its discretion to modify this Plan in any respect necessary to satisfy the requirements of, or to take advantage of any features of, the revised exemption or its replacement.

12. ESTABLISHMENT OF SUB-PLANS

The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Administrator's discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction (as determined by the Administrator) and the Company shall not be required to provide copies of any supplement to Participants in any jurisdiction that is not affected.

13. GOVERNING LAW

Except as otherwise provided by the express terms of an Award agreement or under a sub-plan described in Section 12, the provisions of the Plan and of Awards under the Plan and all claims or disputes arising out of or based upon the Plan or any Award under the Plan or relating to the subject matter hereof or thereof will be governed by and

construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

EXHIBIT A
Definition of Terms

The following terms, when used in the Plan, will have the meanings and be subject to the provisions set forth below:

“Administrator”: The Compensation Committee, which may delegate (i) to one or more of its members (or one or more other members of the Board) such of its duties, powers and responsibilities as it may determine; (ii) to one or more officers of the Company the power to grant rights or options to the extent permitted by Section 157(c) of the Delaware General Corporation Law; and (iii) to such Employees or other persons as it determines such ministerial tasks as it deems appropriate; except that the Board may establish a committee in accordance with Section 141(c) of the Delaware General Corporation Law and may delegate to such committee the power and authority to grant awards to participants other than officers (within the meaning of Rule 16a-1(f) of the Exchange Act), executive officers (within the meaning of Rule 3b-7 of the Exchange Act) and Directors to the extent of the Board’s delegation to such committee as so established. In the event of any delegation described in the preceding sentence, the term “Administrator” shall include the person or persons so delegated to the extent of such delegation.

“Affiliate”: Any corporation or other entity that stands in a relationship to the Company that would result in the Company and such corporation or other entity being treated as one employer under Section 414(b) and Section 414(c) of the Code, except that in determining eligibility for the grant of an Award by reason of service for an Affiliate, Sections 414(b) and 414(c) of the Code shall be applied by substituting “at least 50%” for “at least 80%” under Section 1563(a)(1), (2) and (3) of the Code and Treas. Regs. § 1.414(c)-2; *provided*, that to the extent permitted under Section 409A, “at least 20%” shall be used in lieu of “at least 50%”; *and further provided*, that the lower ownership threshold described in this definition (50% or 20% as the case may be) shall apply only if the same definition of affiliation is used consistently with respect to all compensatory stock options or stock awards (whether under the Plan or another plan). The Company may at any time by amendment provide that different ownership thresholds (consistent with Section 409A) apply but any such change shall not be effective for twelve (12) months.

“Amendment Date”: March 3, 2015, which is date on which the Board adopted the Plan.

“Award”: Any or a combination of the following:

- (i) Stock Options.
- (ii) SARs.
- (iii) Restricted Stock
- (iv) Unrestricted Stock.
- (v) Stock Units, including Restricted Stock Units.
- (vi) Performance Awards.
- (vii) Cash Awards.
- (viii) Awards (other than Awards described in (i) through (vi) above) that are convertible into or otherwise based on Stock.

“Board”: The Board of Directors of the Company.

“Cash Award”: An Award denominated in cash.

“Cause”: In the case of any Participant, unless a defined term “cause” is set forth in a Participant’s Award or employment agreement in which case such definition shall govern, a termination by the Company or an Affiliate of the Participant’s Employment or a termination by the Participant of the Participant’s Employment, in either case following the occurrence of any of the following events: (i) the Participant’s 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 business days after a written demand for

substantial performance is delivered to the Participant by the Company; (ii) Participant's 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) the Participant's 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) the Participant's breach of his or her noncompetition or nonsolicitation obligations in any agreement with the Company that causes material injury, monetarily or otherwise, to the Company or an Affiliate; (v) a violation by the Participant 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 by the Participant that could reasonably be expected to be harmful to the business, interests or reputation of the Company.

"Code": The U.S. Internal Revenue Code of 1986, as from time to time amended and in effect, or any successor statute as from time to time in effect.

"Company": LPL Financial Holdings Inc.

"Compensation Committee": The Compensation and Human Resources Committee of the Board.

"Competitive Activity": Engaging, directly or indirectly, alone or as principal, agent, employee, employer, consultant, investor, partner or manager, or providing advisory or other services to, or owning any stock or any other ownership interest in, or making any financial investment in any business (or entity) that engages in any business in which the Company and its subsidiaries are engaged, or that provides any material products and/or services that the Company or its subsidiaries were actively developing or designing (provided that where such Competitive Activity occurs following termination of Employment, the Competitive Activity shall be determined at the date of termination); *provided, however*, that the foregoing shall not restrict the Participant from owning less than two percent (2%) of the outstanding securities of any class of securities listed on a national exchange or inter-dealer quotation system.

"Covered Transaction": Any of (i) a consolidation, merger, or similar transaction or series of related transactions, including a sale or other disposition of stock, in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company's then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert, in each case by other than an Affiliate, (ii) a sale or transfer of all or substantially all the Company's assets, or (iii) a dissolution or liquidation of the Company. Where a Covered Transaction involves a tender offer that is reasonably expected to be followed by a merger described in clause (i) (as determined by the Administrator), the Covered Transaction will be deemed to have occurred upon consummation of the tender offer.

"Director": A member of the Board.

"Employee": Any person who is employed by the Company or an Affiliate.

"Employment": A Participant's employment or other service relationship with the Company and its Affiliates. Employment will be deemed to continue, unless the Administrator expressly provides otherwise, so long as the Participant is employed by, or otherwise is providing services in a capacity described in Section 5 to the Company or any of its Affiliates. If a Participant's employment or other service relationship is with an Affiliate and that entity ceases to be an Affiliate, the Participant's Employment will be deemed to have terminated when the entity ceases to be an Affiliate unless the Participant transfers Employment to the Company or its remaining Affiliates. Notwithstanding the foregoing and the definition of "Affiliate" above, in construing the provisions of any Award relating to the payment of "nonqualified deferred compensation" (subject to Section 409A) upon a termination or cessation of Employment, references to termination or cessation of employment, separation from service, retirement or similar or correlative terms shall be construed to require a "separation from service" (as that term is defined in Section 1.409A-1(h) of the Treasury Regulations, after giving effect to the presumptions contained therein) from the Company and from all other corporations and trades or businesses, if any, that would be treated as a single "service recipient" with the Company under Section 1.409A-1(h)(3) of the Treasury Regulations.

The Company may, but need not, elect in writing, subject to the applicable limitations under Section 409A, any of the special elective rules prescribed in Section 1.409A-1(h) of the Treasury Regulations for purposes of determining whether a “separation from service” has occurred. Any such written election shall be deemed a part of the Plan.

“Exchange Act”: The Securities Exchange Act of 1934, as from time to time amended and in effect, or any successor statute as from time to time in effect.

“Existing Plans”: LPL Investment Holdings Inc. 2005 Stock Option Plan for Non-Qualified Stock Options; LPL Investment Holdings Inc. 2005 Stock Option Plan for Incentive Stock Options; LPL Investment Holdings Inc. 2008 Stock Option Plan; and LPL Investment Holdings Inc. Advisor Incentive Plan.

“ISO”: A Stock Option intended to be an “incentive stock option” within the meaning of Section 422. Each Stock Option granted pursuant to the Plan will be treated as providing by its terms that it is to be an NSO unless, as of the date of grant, it is expressly designated as an ISO.

“NSO”: A Stock Option that is not intended to be an “incentive stock option” within the meaning of Section 422.

“Participant”: A person who is granted an Award under the Plan.

“Performance Award”: An Award subject to Performance Criteria. The Compensation Committee in its discretion may grant Performance Awards that are intended to qualify for the performance-based compensation exception under Section 162(m) and Performance Awards that are not intended so to qualify.

“Performance Criteria”: Specified criteria, other than the mere continuation of Employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award. For purposes of Awards that are intended to qualify for the performance-based compensation exception under Section 162(m), a Performance Criterion will mean an objectively determinable measure (or measures) of performance relating to any or any combination of the following (measured either absolutely or by reference to an index or indices and determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof): sales; revenues; assets; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, amortization or equity expense, whether or not on a continuing operations or an aggregate or per share basis; return on equity, investment, capital, capital employed or assets; one or more operating ratios, including ratios that measure operating income or profit, including on an after-tax basis; one or more relative measures of revenues and earnings, including “gearing” measures based on revenues or earnings, in each case before or after deduction of any portion of revenues or earnings; pre-tax net income; after-tax net income; operating revenue growth; borrowing levels, leverage ratios or credit rating; market share; capital expenditures; cash flow; stock price; earnings per share, stockholder return or value; sales of particular products or services; customer acquisition or retention; acquisitions and divestitures (in whole or in part); joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; or recapitalizations, restructurings, financings (issuance of debt or equity) or refinancings; increase in assets under management, administration or custody; changes between years or periods that are determined with respect to any of the foregoing; and any derivations of any of the foregoing. A Performance Criterion and any targets with respect thereto determined by the Administrator need not be based upon an increase, a positive or improved result or avoidance of loss. To the extent consistent with the requirements for satisfying the performance-based compensation exception under Section 162(m), the Administrator may provide in the case of any Award intended to qualify for such exception that one or more of the Performance Criteria applicable to such Award will be adjusted in an objectively determinable manner to reflect events (for example, the impact of charges for restructurings, discontinued operations, mergers, acquisitions, extraordinary items and other unusual or non-recurring items, and the cumulative effects of tax or accounting changes, each as defined by U.S. generally accepted accounting principles) occurring during the performance period that affect the applicable Performance Criterion or Criteria.

“Plan”: The LPL Financial Holdings Inc. Amended and Restated 2010 Omnibus Equity Incentive Plan, as from time to time amended and in effect.

“Restricted Stock”: Stock subject to restrictions requiring that it be redelivered or offered for sale to the Company if specified conditions are not satisfied.

“Restricted Stock Unit”: A Stock Unit that is, or as to which the delivery of Stock or cash in lieu of Stock is, subject to the satisfaction of specified performance or other vesting conditions.

“Retirement”: Unless otherwise defined in a Participant’s Award agreement, termination of Employment other than for Cause following (a) attainment of age sixty-five (65) and completion of five (5) years of continuous service with the Company, or (b) in the case of any Award granted on or after the Amendment Date, attainment of age fifty-five (55) and completion of ten (10) years of continuous service with the Company.

“SAR”: A right entitling the holder upon exercise to receive an amount (payable in cash or in shares of Stock of equivalent value or a combination thereof) equal to the excess of the fair market value of the shares of Stock subject to the right over the base value from which appreciation under the SAR is to be measured.

“Section 162(m)”: Section 162(m) of the Code.

“Section 409A”: Section 409A of the Code.

“Section 422”: Section 422 of the Code.

“Stock”: Common Stock of the Company, par value \$0.001 per share.

“Stock Option”: An option entitling the holder to acquire shares of Stock upon payment of the exercise price.

“Stock Unit”: An unfunded and unsecured promise, denominated in shares of Stock, to deliver Stock or cash measured by the value of Stock in the future.

“Unrestricted Stock”: Stock not subject to any restrictions under the terms of the Award.

LPL FINANCIAL HOLDINGS INC.
AMENDED AND RESTATED CORPORATE EXECUTIVE BONUS PLAN

Adopted by the Board of Directors on March 3, 2015

Section 1 Purpose of the Plan

The LPL Financial Holdings Inc. Corporate Executive Bonus Plan (the “Plan”) is established to promote the interests of LPL Financial Holdings Inc. and its subsidiaries (collectively, the “Company”) by creating a program of incentive compensation for designated officers and/or key executive employees of the Company and its subsidiaries that is directly related to the performance results of the Company and such employees. The Plan provides cash incentive awards with respect to a specified performance period, contingent upon continued employment and meeting certain corporate goals, to designated officers and/or key executives who make substantial contributions to the Company.

Section 2 Administration of the Plan

The Compensation and Human Resources Committee of the Board of Directors of the Company or a subcommittee thereof (the “Committee”) shall administer the Plan. The Committee shall be composed solely of two or more “outside directors” within the meaning of Treasury Regulations Section 1.162-27 (or any successor regulation) and shall be appointed pursuant to the Bylaws of the Company and the Compensation and Human Resources Committee Charter. The Committee shall have discretionary authority to interpret the Plan, determine eligibility for awards under the Plan, determine the terms of and conditions applicable to any award under the Plan, establish rules and regulations to implement the Plan and take all actions and make all determinations deemed necessary or advisable for the administration of the Plan in its sole discretion. Any interpretation or decision of the Committee with respect to the Plan and any award under the Plan shall be final and binding on all parties who have an interest in the Plan.

Section 3 Bonus Awards

(a) *Eligibility for Awards.* Awards under the Plan may be granted by the Committee to any employee who is an executive officer of the Company, as such term is defined under the Securities and Exchange Act of 1934, as amended (each, an “Eligible Employee”). Except in the event of retirement, death or disability, an individual in this position shall be eligible to participate in the Plan if he or she is an employee of the Company on the last day of the performance period. An individual who is on a leave of absence shall remain eligible to participate in the Plan, but his or her award under the Plan shall be adjusted as provided in Section 3(g).

(b) *Form of Awards.* Bonus awards under the Plan shall be paid in cash, less applicable tax and other legally or contractually required withholdings and deductions.

(c) *Bonus Formula.*

(i) With respect to each award under the Plan, the performance criterion (or criteria) applicable to the award (as described in Section 3(c)(ii)), the performance period to which it relates, the target amount applicable to the award, the formula used to determine the amount or amounts payable under such award if the performance criterion (or criteria) is achieved, and all other terms and conditions applicable to the award as the Committee deems appropriate, subject, in each case to the terms of the Plan, shall be determined by the Committee within 90 days of the commencement of the applicable performance period, but in no event after 25% of the performance period has elapsed. Once the Committee has established the terms of such awards under the Plan in accordance with the foregoing sentence, it shall not thereafter adjust such terms, except to reduce payments, if any, under the awards in accordance with Section 3(e) or as otherwise permitted by Section 162(m) of the Internal Revenue Code of 1986, (the “Code”), to the extent applicable.

(ii) The performance criterion (or criteria) may be different for each Eligible Employee and shall be an objectively determinable measure (or measures) of performance relating to any or any combination of the following (measured either absolutely or by reference to an index or indices and determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof): sales; revenues; assets; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, amortization or equity expense, whether or not on a continuing operations or an aggregate or per share basis; return on equity, investment, capital, capital employed or assets; one or more operating ratios, including ratios that measure operating income or profit, including on an after-tax basis; one or more relative measures of revenues and earnings, including “gearing” measures based on revenues or earnings, in each case before or after deduction of any portion of revenues or earnings; pre-tax net income; after-tax net income; operating revenue growth; borrowing levels, leverage ratios or credit rating; market share; capital expenditures; cash flow; stock price; earnings per share, stockholder return or value; sales of particular products or services; customer acquisition or retention; acquisitions and divestitures (in whole or in part); joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; or recapitalizations, restructurings, financings (issuance of debt or equity) or refinancings; increase in assets under management, administration or custody; changes between years or periods that are determined with respect to any of the foregoing; and any derivations of any of the foregoing. The performance criterion (or criteria) and any targets with respect thereto need not be based upon an increase, a positive or improved result or avoidance of loss. To the extent consistent with the requirements for satisfying the performance-based compensation exception under Section 162(m) of the Code, to the extent applicable, the Committee may provide that one or more of the performance criteria applicable to any award under the Plan will be adjusted in an objectively determinable manner to reflect events (for example, the impact of charges for restructurings, discontinued operations, mergers, acquisitions, extraordinary items and other unusual or non-recurring items, and the cumulative effects of tax or accounting changes, each as defined by U.S. generally accepted accounting principles) occurring during the performance period that affect the applicable performance criterion or criteria.

(iii) The formula for any award under the Plan may include or exclude items to measure specific objectives, such as losses from discontinued operations, extraordinary gains or losses, the cumulative effect of accounting changes, acquisitions or divestitures, foreign exchange impacts and any unusual, nonrecurring gain or loss, and will be based on accounting rules and related Company accounting policies and practices in effect on the date the formula is approved by the Committee.

(d) *Maximum Awards.* The maximum award that may be paid to any Eligible Employee under the Plan for any fiscal year shall not exceed \$10,000,000.

(e) *Power to Reduce Awards.* Notwithstanding anything to the contrary contained in the Plan, the Committee shall have the power, in its sole discretion, after determining the amount that would otherwise be payable under any award under the Plan, to reduce the actual payment, if any, to be made under such award to any Eligible Employee, including the chief executive officer (and to determine that no amount shall be payable to such Eligible Employee). In the event of such a reduction, the amount of such reduction shall not increase the amounts payable to other Eligible Employees under the Plan.

(f) *Entitlement.* An Eligible Employee shall be entitled to payment under any bonus award under the Plan only after the Committee (i) has determined whether and to what extent the performance criteria have been satisfied, (ii) to the extent required by Section 162(m) of the Code, to the extent applicable, has certified that the applicable performance criteria have been satisfied, and (iii) has approved the actual payment, if any, under the award. In accordance with Section 3(e), the actual payment of an award under the Plan may be less than (but in no event more than) the amount indicated by the level of achievement under the award as certified by the Committee pursuant to this Section 3(f). No amount may be paid under any award unless such certification requirement has been satisfied pursuant to this Section 3(f), except as provided by the Committee consistent with the requirements of Section 162(m) of the Code, to the extent applicable.

(g) *Termination of Employment and Leaves of Absence.* Except in the event of retirement, death or disability, if an employee ceases to be employed by the Company for any reason on or before the date when the bonus is earned, then he or she shall not earn or receive any bonus under the Plan. If an Eligible Employee is on a

leave of absence for a portion of the relevant performance period, the bonus to be awarded under the Plan may be prorated to reflect only the time when he or she was actively employed and not any period when he or she was on leave. In the event of retirement, death or disability before the last day of the relevant performance period, the Committee shall have the sole discretion to award any bonus under the Plan.

(h) *Payment of Awards.* Bonus awards under the Plan shall be paid to each Eligible Employee within seventy-five (75) days after the close of the performance period, regardless of whether the individual had remained in employee status through the date of payment.

Section 4 Forfeiture; No Employment Rights

(a) *Forfeiture.* Awards under the Plan are subject to forfeiture, termination and rescission, and an Eligible Employee will be obligated to return to the Company payments received with respect to awards, in each case (i) to the extent provided by the Committee in connection with (A) a breach by the Eligible Employee of an award agreement or the Plan, or any non-competition, non-solicitation, confidentiality, or similar covenant or agreement with the Company or an affiliate or (B) an overpayment to the Eligible Employee of incentive compensation due to inaccurate financial data, (ii) in accordance with the Company's Recoupment Policy, as such policy may be amended and in effect from time to time, or (iii) as otherwise required by law or applicable stock exchange listing standards, including, without limitation, Section 10D of the Securities Exchange Act of 1934, as amended. Each Participant, by accepting an award under the Plan agrees to return the full amount required under this Section 4(a) at such time and in such manner as the Committee shall determine in its sole discretion.

(b) *No Employment Rights.* No person shall have any claim or right to be granted an award, nor shall the selection for participating in the Plan for any performance period be construed as giving an Eligible Employee the right to be retained in the employ or service of the Company or an affiliate for that performance period or for any other period. The loss of an award will not constitute an element of damages in the event of termination of employment for any reason, even if the termination is in violation of an obligation of the Company or an affiliate to the Eligible Employee.

Section 5 General Provisions

(a) *Section 162(m).* The Plan and any award under the Plan will be construed and administered to the maximum extent permitted by law in a manner consistent with qualifying the award for the exemption for performance-based compensation under Section 162(m) of the Code, to the extent applicable, notwithstanding anything to the contrary in the Plan.

(b) *Plan Amendments.* The Committee may at any time amend, suspend or terminate the Plan, provided that it must do so in a written resolution and such action shall not adversely affect rights and interests of Eligible Employees to individual bonuses approved by the Committee pursuant to Section 3(g) prior to such amendment, suspension or termination. Stockholder approval shall be obtained for any amendment to the extent necessary and desirable to qualify the awards under the Plan as performance-based compensation under Section 162(m) of the Code and to comply with applicable laws, regulations or rules.

(c) *Limitation on Liability.* Neither the Company, nor any affiliate, nor the Committee, nor any person acting on behalf of the Company, any affiliate, or the Committee, will be liable for any adverse or other consequences to any Eligible Employee or to the estate or beneficiary of any Eligible Employee, or to any other holder of an award under the Plan that may arise or otherwise be asserted with respect to an award, including, but not limited to, by reason of the application of Section 4 or any acceleration of income or any additional tax (including any interest and penalties) asserted by reason of the failure of an award to satisfy the requirements of Section 409A of the Code or by reason of Section 4999 of the Code.

(d) *Benefits Unfunded.* No amounts awarded or accrued under the Plan shall be funded, set aside or otherwise segregated prior to payment. The obligation to pay the bonuses awarded under the Plan shall at all times be an unfunded and unsecured obligation of the Company. Eligible Employees shall have the status of general creditors and shall look solely to the general assets of the Company for the payment of their bonus awards under the Plan.

(e) *Termination.* The Committee may, in its discretion, terminate the Plan at any time.

(f) *Benefits Nontransferable.* No Eligible Employee shall have the right to alienate, pledge or encumber his or her interest in the Plan, and such interest shall not (to the extent permitted by law) be subject in any way to the claims of the employee's creditors or to attachment, execution or other process of law.

(g) *Exclusive Agreement.* The Plan document is the full and complete agreement between the Eligible Employees and the Company on the terms described herein.

(h) *Governing Law.* The Plan and any actions taken in connection herewith shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of laws principals thereof.

(i) *Effective Date.* The Plan was adopted by the Board of Directors of the Company on March 3, 2015 and will be effective as of such date, subject to its approval by the Company's shareholders at the Company's annual meeting in 2015.