For Immediate Release

LPL FINANCIAL AND ITS ADVISORS RANKS FIRST IN CUSTOMER LOYALTY IN NEW STUDY BY COGENT REPORTS

CHARLOTTE, N.C. – Feb. 28, 2017 – LPL Financial is proud to announce that the firm and its advisors have been ranked No. 1 in net customer loyalty among 24 leading financial distributor firms, according to findings from Investor Brandscape®, a Cogent Reports™ study released by Market Strategies International. LPL earned a Net Promoter® Score[1] (NPS℠) of 70, 25 points higher than the No. 2 firm and was the only firm identified as a "star" by Cogent. LPL's NPS was also 49 points higher than the average score of 21 for all firms.

Cogent's study explored 10 key drivers of investor loyalty. LPL ranked among the top five in seven of the 10 driver areas, including three no. 1 rankings. According to the study, LPL Financial ranked:

- No. 1 in quality of investment advice;
- No. 1 in financial stability;
- No. 1 in satisfaction of fees and expenses;
- No. 3 in retirement planning services;
- No. 3 in quality and clarity of statements;
- No. 4 in range of investment products and services; and
- No. 4 in easy to do business with.

"We're proud and humbled by this great recognition of LPL and, more importantly, our 14,000 advisors who every day offer objective financial guidance to help American investors work towards their financial goals," said Andy Kalbaugh, managing director and divisional president, LPL Financial. "This study underscores the value of LPL's independent business model – and our innovative, industry-leading products and services – which put the advisor at the heart of the investor relationship."

According to Cogent, the aspects of "financial stability" and "easy to do business with" are the two leading drivers of investors' satisfaction with their primary distributor firm. The third most important overall driver of satisfaction is "quality of investment advice," which has the potential to negatively impact client satisfaction much more so than strengthening client relationships.

Cogent measures customer loyalty based on NPS and the "intent to recommend the firm to friends and family." Loyalty is measured on a scale from 0 to 10, with 0 being "definitely not

[1] The Net Promoter® Score, a management tool created by Fred Reichheld of Bain & Company, is utilized to derive customer loyalty scores. Net Promoter® is a registered trademark of Satmetrix, Bain & Company and Fred Reichheld. NPSSM is a service mark of Bain & Company. Reichheld, Fred. The Ultimate Question, Driving Good Profits and True Growth. Boston, MA: Harvard Business School Press, 2006.

recommend” and 10 being “definitely recommend.” Respondents giving scores of 0-6 are deemed “detractors” while respondents giving scores of 9-10 are classified as “promoters.” The loyalty score reflects the percentage of a firm’s clients who are supporters versus detractors.

About the Investor Brandscape® Report

Cogent Reports conducted an online survey with 3,910 affluent investors who were recruited from the ResearchNow and SSI online panels from June to August of 2016. In order to qualify, respondents were required to have at least $100,000 in investable assets and have sole or shared household financial decision-making responsibilities. Due to their opt-in nature, the online panels (like most others) do not yield a random probability sample of the target population. Thus, target quotas and weighting are set around key demographic variables using the most recent data available from the US Census Bureau. As such, it is not possible to compute a margin of error or to statistically quantify the accuracy of projections. Market Strategies will supply the exact wording of any survey question upon request.

About Market Strategies International

Market Strategies International is a market research consultancy with deep expertise in financial services with practice areas serving wealth, banking, payments and insurance. We blend primary research with data from our syndicated, benchmarking and self-funded studies as well as Big Data to help our clients grow their businesses and brands. Market Strategies’ research specialties include brand, communications, CX, product development and segmentation.
Our syndicated products, known as Cogent Reports, are the wealth sector’s leading source for insight on the attitudes, opinions and behaviors of key investor populations, including advisors, plan sponsors and affluent and institutional investors. Founded in 1989, Market Strategies is one of the largest market research firms in the world, with offices in the US, Canada and China and additional industry expertise in consumer & retail, energy, healthcare, technology and telecommunications. Read Market Strategies’ blog at FreshMR, and follow us on Facebook, Twitter and LinkedIn.

About LPL Financial

LPL Financial LLC, a wholly owned subsidiary of LPL Financial Holdings Inc. (NASDAQ:LPLA), is a leader in the retail financial advice market and served $509 billion in advisory and brokerage assets as of December 31, 2016. 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 1996-2016). 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 financial institutions, enabling them to help their clients turn life's aspirations into financial realities. Advisors associated with LPL also serviced an estimated 46,000 retirement plans with an estimated $127 billion in retirement plan assets, as of December 31, 2016. LPL also supports approximately 4,000 financial advisors licensed and affiliated with insurance companies with customized clearing, advisory platforms, and technology solutions. LPL Financial and its affiliates have more than 3,200 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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