

# HOW LPL PROTECTS YOUR WEALTH

Privacy. Stability. Security.

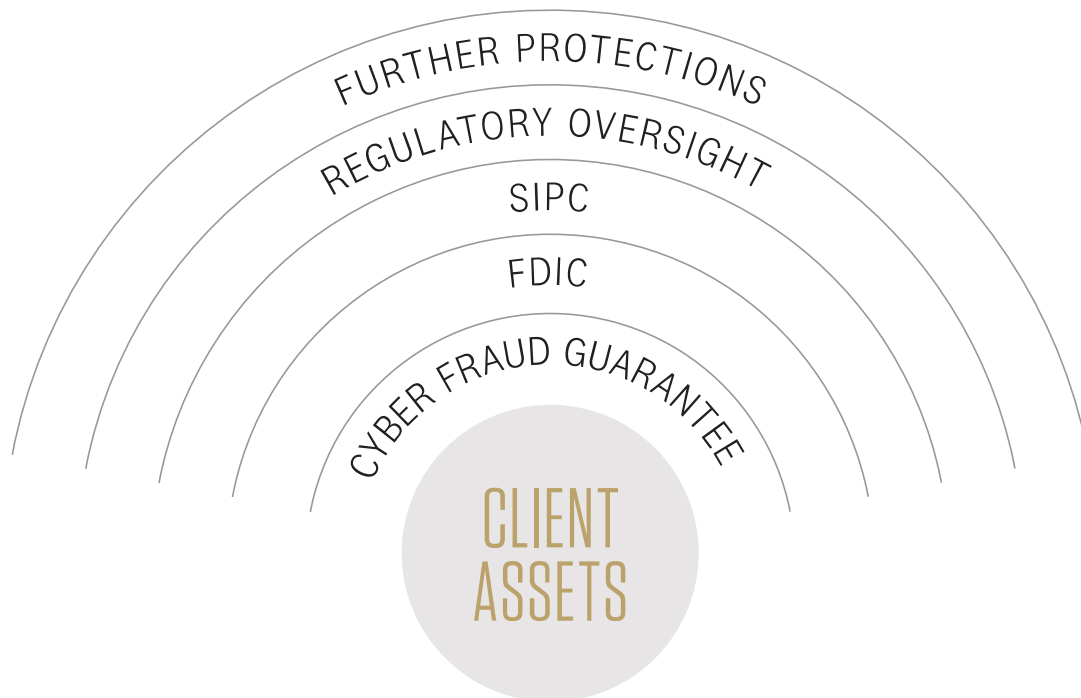
Like your financial professional, LPL Financial is highly committed to your long-term success. We leverage our firm's size and scale to invest in technology, solutions, and capabilities to protect you and your assets.

We've been in the wealth management business for over 30 years and currently support more than 8 million client accounts, with over \$1.2 trillion in brokerage and advisory client assets, serviced or custodied.<sup>1</sup> We are a *Fortune* 500 company<sup>2</sup> and the largest independent brokerage firm in wealth management based on revenue.<sup>3</sup> This means we're able to provide security and stability for our financial professionals and the families they serve.

In an ever-changing world, we know the importance of adhering to industry best practices, and we're at the forefront of offering heightened protection measures. Here's how we ensure you, your data, and your wealth are protected.

## Multiple layers of protection

We offer you a layered approach to protecting your assets, which is, and will continue to be, a top priority for LPL.



1. As of October 30, 2023

2. *Fortune* 500 ranks U.S. companies based on a review of the prior year's total revenue and factors such as profits after taxes, year-end assets, and total stockholders' equity.

3. IBDElite: The 15 Largest Independent Brokerages In Wealth Management

### Cyber fraud guarantee

As cyber threats continue to evolve and make headlines, you can rely on LPL's security teams' capabilities to defend against potential cyber incidents to minimize the potential impact to LPL accounts. Our Information Security, Privacy, and Fraud organizations work together to make LPL a firm you can trust.

We're so confident in our measures that if you incur losses in your LPL accounts as a result of unauthorized access to an LPL system, we'll reimburse you 100% for those losses.

### FDIC insured cash sweep solutions

While we are not a bank, LPL utilizes cash sweep programs that offer FDIC insurance through FDIC-insured financial institutions. LPL offers two bank deposit sweep programs, the LPL Insured Cash Account (ICA) and LPL Deposit Cash Account (DCA). Cash balances in the ICA and DCA are deposits and are eligible for FDIC insurance up to \$250,000 for individuals and \$500,000 for joint accounts per bank. For additional protection, LPL's multi-bank cash sweep programs are designed to reduce risk to investors' cash by depositing cash in multiple banks. This approach provides up to ten times the FDIC insurance coverage on cash in the ICA and DCA, making individual account holders eligible for up to \$2.5 million or, in the case of joint accounts holders, \$5 million, in FDIC insurance.

### SIPC membership & Excess of SIPC protection

Our Securities Investor Protection Corporation (SIPC) membership provides account protection up to a maximum of \$500,000 per customer, of which \$250,000 may be claims for cash. For an

explanatory brochure, please visit [www.sipc.org](http://www.sipc.org). In addition to SIPC protection, LPL purchases Excess of SIPC protection through Lloyds of London with an aggregate limit of \$1 billion.\* Our coverage ratio is industry-leading and reflects a strong commitment to protecting client assets.

### Regulatory oversight

We're committed to ensuring your financial professional provides you with guidance that aligns with your needs and objectives. This includes adhering to all relevant industry regulations and rules.

We are regulated by federal, state, and self-regulatory agencies, including Financial Industry Regulatory Authority (FINRA), Securities Exchange Commission (SEC), Securities Investor Protection Corporation (SIPC), and Municipal Securities Rulemaking Board (MSRB).

### Further protections

- LPL must identify and segregate securities and funds for each client, so that if the firm fails financially, these securities and funds would be readily available to be returned to clients.
- LPL is required to maintain minimum net capital and to set aside a reserve for the benefit of its clients. In addition, LPL's financial statements are audited annually by an independent public accountant, and those financial statements are filed regularly with the SEC.
- LPL is required to purchase a fidelity bond from an insurance company to provide a source of compensation to customers in the event of fraud or embezzlement by employees.
- LPL also purchases additional amounts of professional liability insurance.

\* Subject to conditions and limitations. The account protection applies when an SIPC member firm fails financially and is unable to meet obligations to securities clients, but it does not protect against losses from the rise and fall in the market value of investments.

This material has been prepared by LPL Financial, LLC.

Securities and advisory services offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC). Insurance products are offered through LPL or its licensed affiliates. To the extent you are receiving investment advice from a separately registered independent investment advisor that is not an LPL Financial affiliate, please note LPL Financial makes no representation with respect to such entity.

<b>Not Insured by FDIC/NCUA or Any Other Government Agency</b>	<b>Not Bank/Credit Union Guaranteed</b>	<b>Not Bank/Credit Union Deposits or Obligations</b>	<b>May Lose Value</b>
--	---	--	-----------------------