

LPLPAC

**2017
ANNUAL
REPORT**



NOTE FROM THE LPL PAC CHAIR

All of us in the financial services industry will remember 2017 as the year that brought us a landmark tax reform law and the Department of Labor fiduciary rule, a decision that forever changed the way we do business.

With more than 15,000 advisors, it's essential that we continue to work together in this challenging regulatory environment, so we can preserve access to objective financial advice. Our Government Relations team and the LPL Financial Political Action Committee (LPL PAC) represent our interests in Washington, DC and in the 50 states and engage with those who directly shape the laws and regulations.

The LPL PAC is now 640 strong, made up of LPL Financial advisors and employees, and we're continuing to grow. Together, we're able to leverage our size and scale, as well as our experience, to make a difference on issues that matter most.

Each year we outline our advocacy agenda. In 2018, our key advocacy priorities include:

- **Engaging with policymakers to ensure affordable access to financial guidance and advice**
- **Promoting a harmonized best interest standard of care that ensures affordable access to financial guidance and advice**
- **Advocating for thoughtful policies to promote senior investor protection**
- **Preserving and enhancing incentives for retirement savings**
- **Protecting the independent broker/dealer model**

Thank you for your continued support of the LPL PAC and I look forward to all that we can achieve in 2018.

Sincerely,



Peggy L. Ho

EVP, Government Relations

Chair, LPL PAC



Our mission

is to build strong relationships with regulators and legislators so that we're in the best position to serve as trusted resources when Congress or regulatory agencies consider policies affecting the delivery of objective financial advice.

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WHAT IS A PAC?

PAC stands for Political Action Committee. A PAC is a government regulated organization formed to raise money for political campaign donations. PACs may be formed by individuals, non-profits, and most major corporations.

WHY IS THE LPL PAC IMPORTANT TO LPL FINANCIAL?

The LPL PAC is an important tool for supporting the business goals and objectives of LPL Financial. Federal regulations strictly prohibit companies like LPL Financial from making campaign contributions directly to federal candidates. However, through a PAC, companies may contribute to legislators running for office.

These contributions help LPL Financial foster relationships with those in Washington who can help shape our industry. LPL Financial is permitted to fund the administrative costs associated with operating the LPL PAC, ensuring that every dollar contributed by employees to the LPL PAC goes directly to candidates running for office.

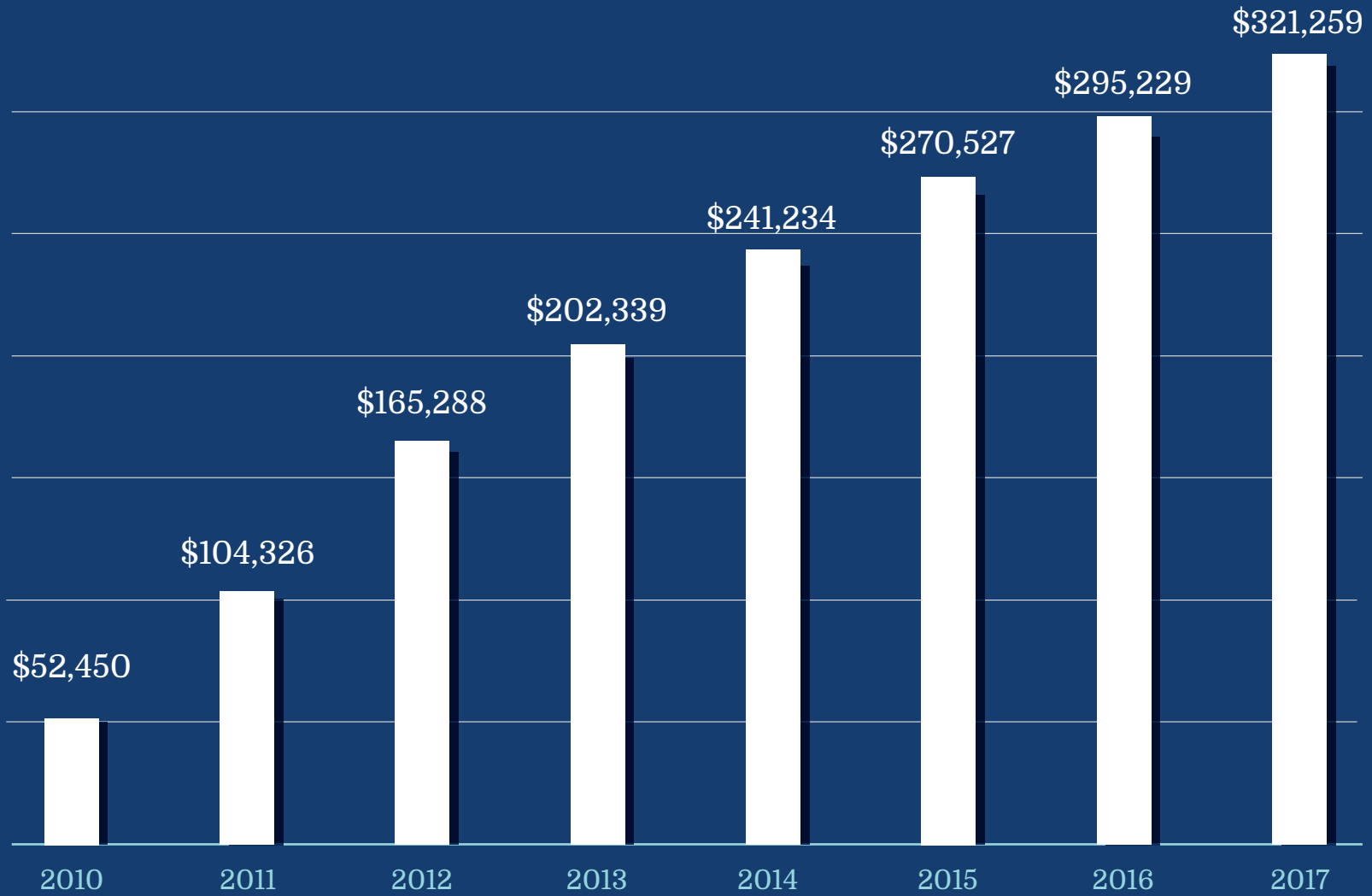
WHY IS THE LPL PAC IMPORTANT TO YOU?

The LPL PAC is supported by LPL Financial employees and advisors who make voluntary personal contributions for the purpose of making disbursements to candidates for federal office.

Through the PAC, we can speak with one LPL Financial voice, so elected officials clearly hear our position on policies that affect independent financial advisors. A strong LPL PAC allows us to help tell the LPL Financial story and shape the future of our industry, instead of having other interests do it for us.

The LPL PAC was
established in June 2010
and has seen steady
growth year over year.
In 2017, the LPL PAC
received \$321,259 in
contributions, an 8.5%
increase over 2016.

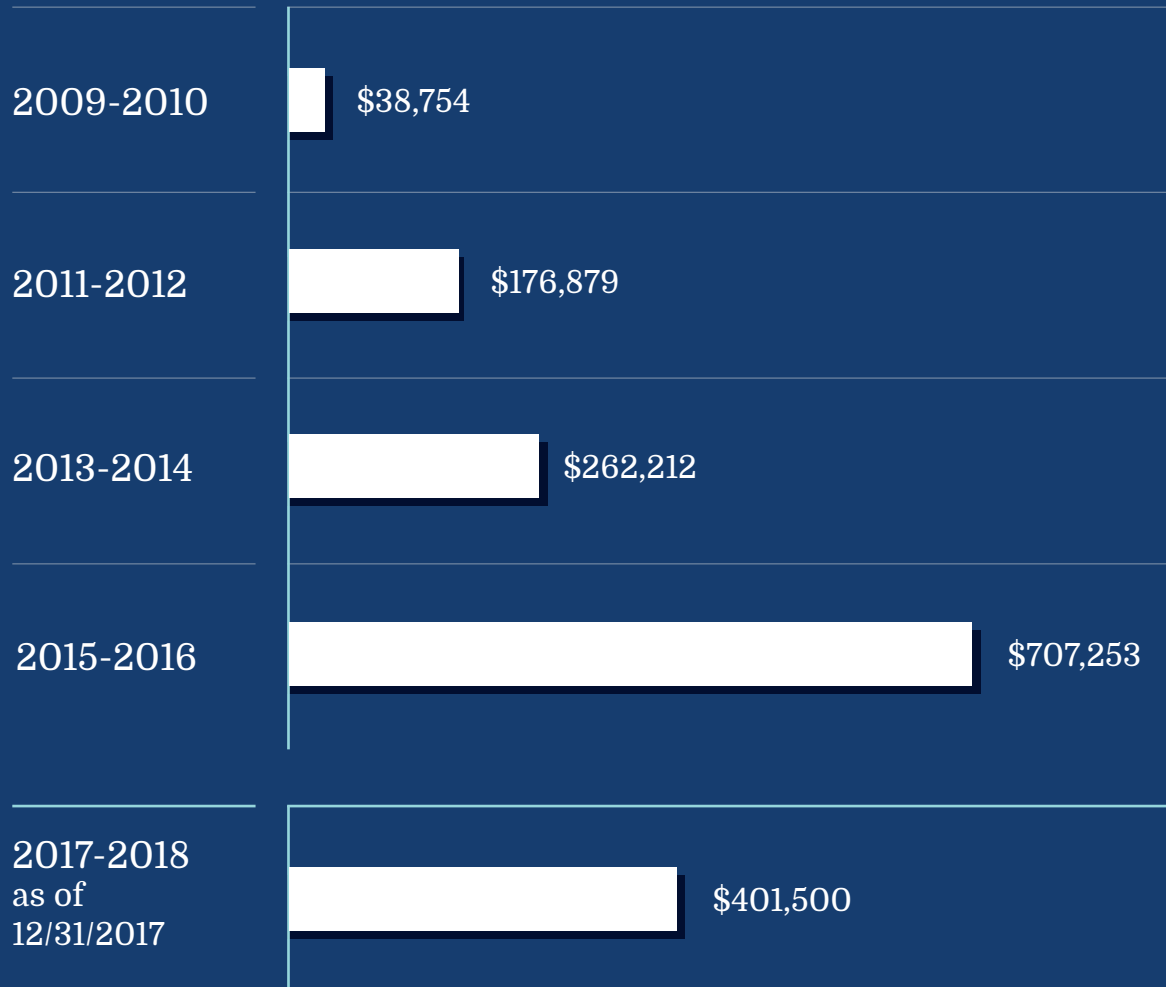
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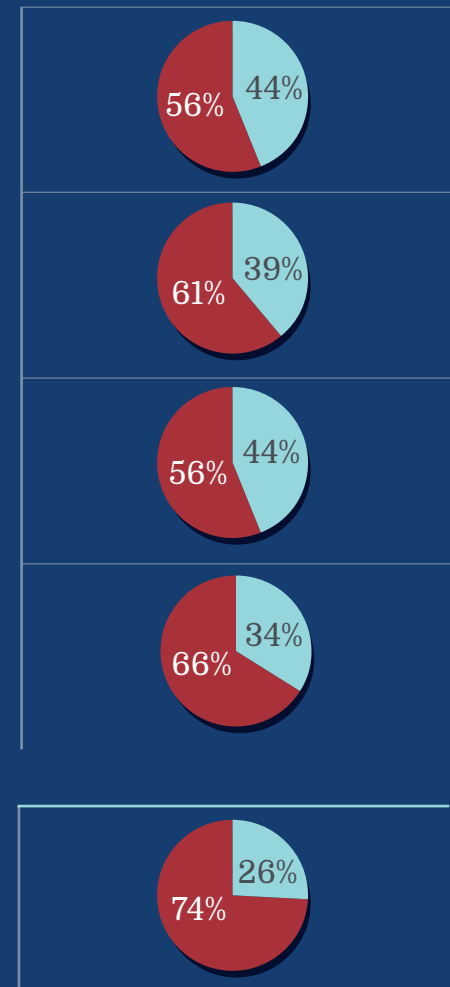
DISBURSEMENTS

Per Election Cycle

Total Disbursements



Disbursements by Party



The LPL PAC is a bipartisan political action committee and our disbursements reflect the current make-up of Congress.

 Republicans

 Democrats

As the LPL PAC grows we're able to amplify our collective voice in Washington, DC. During the first year of the 2017-2018 election cycle, the LPL PAC disbursed a total of \$401,500 to congressional campaigns, industry trade association political action committees, and congressional leadership political action committees.

In 2017, we held more than 250 direct engagements with approximately 125 members of Congress and their staff.

HOW DOES THE LPL PAC SELECT CANDIDATES TO RECEIVE DISBURSEMENTS?

Using information provided by senior management, coalitions, industry groups, and PAC members, candidates are assessed using the following criteria:

- **Candidate's electability**
- **Candidate's position on key committees and working groups where legislation of importance to LPL Financial is considered and/or the candidate's demonstrated leadership, or potential for leadership, within Congress on pertinent issues**
- **Candidate's position or voting record on issues of direct concern to LPL Financial, our employees, and financial advisors**
- **Geographic location of the area the candidate or elected official represents as it relates to where LPL Financial has or may have operations**
- **Knowledge of the financial services industry**
- **Background and experience**

LPL PAC DISBURSEMENT RECIPIENTS

From January 1, 2017 through December 31, 2017, the LPL PAC disbursed \$370,500 to congressional campaigns and committees. Of that total, \$306,500 was disbursed to members of the House of Representatives and \$64,000 to members of the Senate. In addition, in this first year of the 2017-18 election cycle, the LPL PAC disbursed \$31,000 to industry trade association political action committees and leadership political action committees, as described below.

U.S. Senate Committees

- **Senate Committee on Health, Education, Labor, and Pensions:** This committee has jurisdiction over the Department of Labor and pension/retirement issues
- **Senate Committee on Finance:** This committee has jurisdiction over taxation and revenue measures
- **Senate Committee on Banking:** This committee has jurisdiction over banking, insurance, financial markets, and securities issue

U.S. House of Representatives Committees

- **House Financial Services Committee:** This committee has jurisdiction over the Securities & Exchange Committee, self-regulatory organizations such as FINRA, and our nation's banking and financial systems
- **House Ways and Means Committee:** This committee is the chief tax writing committee of the House and has jurisdiction over all taxation, tariffs, and other revenue-raising measures
- **House Education and Workforce Committee:** This committee has jurisdiction over retirement security issues

MEMBERS OF THE SENATE

Senator John Barrasso	R-WY	\$2,000
Senator Roy Blunt	R-MO	\$1,000
Senator Tom Carper	D-DE	\$5,000
Senator Bill Cassidy	R-LA	\$2,500
Senator John Cornyn	R-TX	\$2,500
Senator Joe Donnelly	D-IN	\$3,500
Senate Candidate Stephen Fincher	R-TN	\$2,500
Senator Cory Gardner	R-CO	\$4,000
Senator Orrin Hatch	R-UT	\$1,500
Senator Heidi Heitkamp	D-ND	\$1,000
Senator Dean Heller	R-NV	\$6,000
Senator John Kennedy	R-LA	\$2,500
Senator Mitch McConnell	R-KY	\$5,000
Senator Gary Peters	D-MI	\$1,500
Senator Mike Rounds	R-SD	\$5,000
Senator Benjamin Sasse	R-NE	\$1,500
Senator Tim Scott	R-SC	\$7,500
Senator Debbie Stabenow	D-MI	\$1,000
Senator John Thune	R-SD	\$3,500
Senator Pat Toomey	R-PA	\$2,500
Senator Mark Warner	D-VA	\$2,500

MEMBERS OF THE HOUSE

Congressman Andy Barr	R-KY	\$6,000
Congresswoman Joyce Beatty	D-OH	\$3,500
Congressman Michael Bishop	R-MI	\$1,000
Congressman Kevin Brady	R-TX	\$10,000
Congresswoman Katherine Clark	D-MA	\$6,000
Congressman Charles Crist	D-FL	\$3,500
Congressman Joesph Crowley	D-NY	\$5,000
Congressman Carlos Curbelo	R-FL	\$2,500
Congressman Warren Davidson	R-OH	\$1,000
Congressman Rodney Davis	R-IL	\$2,500
Congresswoman Susan Davis	D-CA	\$1,000
Congressman Daniel Donovan	R-NY	\$6,000
Congressman Sean Duffy	R-WI	\$5,000
Congressman Thomas Emmer	R-MN	\$7,000
Congressman Brian Fitzpatrick	R-PA	\$2,000
Congressman Bill Foster	D-IL	\$2,500
Congresswoman Virginia Foxx	R-NC	\$5,000
Congressman Josh Gottheimer	D-NJ	\$2,500
Congressman Trey Gowdy	R-SC	\$1,000
Congressman Tom Graves	R-GA	\$2,000
Congressman Brett Guthrie	R-KY	\$4,500

Congressman Denny Heck	D-WA	\$1,000
Congressman Jeb Hensarling	R-TX	\$2,500
Congressman Brian Higgins	D-NY	\$1,000
Congressman French Hill	R-AR	\$7,500
Congressman George Holding	R-NC	\$5,000
Congressman Steny Hoyer	D-MD	\$7,000
Congressman Bill Huizenga	R-MI	\$10,000
Congressman Duncan Hunter	R-CA	\$2,500
Congressman Mike Kelly	R-PA	\$2,500
Congressman Pete King	R-NY	\$1,000
Congressman David Kustoff	R-TN	\$1,000
Congressman John Larson	D-CT	\$4,000
Congressman Barry Loudermilk	R-GA	\$1,000
Congresswoman Mia Love	R-UT	\$2,500
Congressman Frank Lucas	R-OK	\$2,500
Congressman Blaine Luetkemeyer	R-MO	\$10,000
Congressman Sean Maloney	D-NY	\$10,000
Congressman Brian Mast	R-FL	\$2,000
Congressman Kevin McCarthy	R-CA	\$2,500
Congressman Patrick McHenry	R-NC	\$10,000
Congressman Patrick Meehan	R-PA	\$5,000

MEMBERS OF THE HOUSE CONTINUED

Congresswoman Gwen Moore	D-WI	\$1,000
Congressman Seth Moulton	D-MA	\$3,500
Congressman Richard Neal	D-MA	\$2,500
Congressman Ralph Norman	R-SC	\$2,500
Congressman Scott Peters	D-CA	\$6,500
Congressman Bruce Poliquin	R-ME	\$5,500
Congressman Tom Reed	R-NY	\$2,000
Congressman Peter Roskam	R-IL	\$5,000
Congressman Dennis Ross	R-FL	\$5,500
Congressman Keith Rothfus	R-PA	\$2,500
Congressman Ed Royce	R-CA	\$7,500
Congressman Paul Ryan	R-WI	\$5,000
Congresswoman Linda Sanchez	D-CA	\$1,000
Congressman Steve Scalise	R-LA	\$6,500
Congresswoman Kyrsten Sinema	D-AZ	\$5,000

Congressman Jason Smith	R-MO	\$2,500
Congressman Steve Stivers	R-OH	\$6,000
Congresswoman Claudia Tenney	R-NY	\$5,500
Congressman Mike Thompson	D-CA	\$10,000
Congressman Pat Tiberi	R-OH	\$8,500
Congressman Scott Tipton	R-CO	\$2,000
Congressman Juan Vargas	D-CA	\$3,500
Congresswoman Ann Wagner	R-MO	\$8,500
Congressman Tim Walberg	R-MI	\$5,500
Congresswoman Jackie Walorski	R-IN	\$6,500
Congresswoman Mimi Walters	R-CA	\$3,500
Congressman Roger Williams	R-TX	\$2,500
Congressman Steve Womack	R-AR	\$1,000
Congressman Kevin Yoder	R-KS	\$7,000
Congressman Lee Zeldin	R-NY	\$2,500

OTHER DISBURSEMENTS

Trade Associations

Financial Services Roundtable (FSR)	\$5,000
Insured Retirement Institute (IRI)	\$5,000
Securities Industry and Financial Markets Association (SIFMA)	\$5,000

Party PACs

Moderate Democrats PAC	\$5,000
Massachusetts Republican Party - Federal Account	\$1,000
New Democrat Coalition PAC	\$5,000
Blue Dog PAC	\$5,000

WHO GOVERNS THE LPL PAC?

The LPL PAC is governed by a board of directors composed of LPL Financial employees across our business units. It's also advised by an advisory board of directors composed of top LPL Financial advisors from across the country.

2017 LPL PAC Board of Directors

- **Peggy Ho** Chair (Executive Vice President, Government Relations)
- **Kathy Bakke** Treasurer (Executive Vice President, Human Resources)
- **Marc Ehlers** Assistant Treasurer (Executive Vice President, Trading)
- **Matthew Barhorst** (Senior Vice President, IAS Business Consulting)
- **Heather Randolph Carter** (Executive Vice President, Corporate Communication)
- **Jason Crawford** (Senior Vice President, Regional Consulting)
- **Gina Gombar** (Vice President, Legal)
- **Steve LaChance** (Senior Vice President, Regional Consulting)
- **Chris Paul** (Senior Vice President, Technology)
- **Alec Rosen** (Vice President, Business Consulting)

2017 LPL PAC Advisory Board

- **Ken Van Leeuwen**, Chair (Princeton, NJ)
- **Michael Brady** (Broomall, PA)
- **Steven Budin** (Las Vegas, NV)
- **Jamie Cox III** (Richmond, VA)
- **James Christy** (Herndon, VA)
- **G. Ward Kever IV** (Wilmington, DE)
- **Larry Leitch** (Towson, MD)
- **Lena Mandelis** (Lexington, MA)
- **John Milder** (Chicago, IL)
- **Bruce Miller** (Charlotte, NC)
- **Dryden Pence** (Newport Beach, CA)
- **Kevin Supka** (Jenkintown, PA)
- **Tom Tye** (Danville, KY)
- **Joan Valenti** (Farmington, CT)
- **Judy Vanarsdale** (Deer Park, IL)
- **Cary Wong** (Spokane Valley, WA)

**MORE
INFORMATION**

www.lplgovernmentrelations.com

lplgovernmentrelations@lpl.com

Boston, MA | Cleveland, OH | Fort Mill, SC | San Diego, CA | Washington, DC

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