

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
LPL FINANCIAL, LLC

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CONSENT ORDER

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

LPL FINANCIAL, LLC ("LPL") whose address of record 1055 LPL Way, Fort Mill, SC 29715, is a corporation with its principal place of business in South Carolina;

LPL is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation into their securities activities and sales in South Dakota;

The Division has alleged the following:

- 1) LPL and its agents, failed to maintain accurate books and records, in violation of SDCL §§ 47-31B-411 and FINRA Rule 4511;
- 2) LPL failed to establish, maintain, and enforce a supervisory system, in violation of ARSD 20:08:03:08 and FINRA Rule 3110(a) and (b);
- 3) LPL, through its agents, used their own email address in place of the clients' email address and signed client documents on their behalf, in violation of ARSD 20:08:03:08 and FINRA Rule 2010;
- 4) The above-cited conduct may be grounds for the denial, suspension, or revocation of LPL's registration and the issuance of a monetary penalty of up to \$10,000 per violation, pursuant to SDCL §§ 47-31B-603, and 47-31B-604;

LPL is aware of and understand the nature of the charges and have been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order, agree to the waiver of these rights;

In return for LPL agreeing to the provisions of this Consent Order, the Division agrees not to proceed to a formal hearing and agrees that this Consent Order will constitute an informal disposition of this matter pursuant to SDCL § 1-26-20

LPL agrees to a monetary penalty in the amount of \$35,000 pursuant to SDCL § 47-31B-604, in lieu of contesting this matter formally; and

LPL further agrees that this Consent Order may be considered for the purpose of determining an appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

This Order waives any disqualification in the South Dakota laws, or rules or regulations thereunder, including any disqualification from relying upon the registration exemptions or safe harbor provisions to which Respondent may be subject. This Order is not intended to be a final order based upon violations of the Act that prohibit fraudulent, manipulative, or deceptive conduct. This Order is not intended to form the basis of any disqualifications under Section 3(a)(39) of the Securities Exchange Act of 1934; or Rules 504(b)(3) and 506(d)(1) of Regulation D, Rule 262(a) of Regulation A and Rule 503(a) of Regulation CF under the Securities Act of 1933. This Order is not intended to form the basis of disqualification under the FINRA rules prohibiting continuance in membership and is not intended to trigger any requirement that LPL must file a MC-400A application to remain a member in good standing or to trigger any disqualification under SRO rules prohibiting continuance in membership. This Order is not intended to form a basis of a disqualification under 204(a)(2) of the Uniform Securities Act of 1956 or Section 412(d) of the Uniform Securities Act of 2002. Except in an action by the South Dakota Division of Insurance to enforce the obligations of this Order, any acts performed or documents executed in furtherance of this Order: (a) may not be deemed or used as an admission of, or evidence of, the validity of any alleged wrongdoing, liability, or lack of any wrongdoing or liability; or (b) may not be deemed or used as an admission of, or evidence of, any such alleged fault or omission of Respondents in any civil, criminal, arbitration, or administrative proceeding in any court, administrative agency, or tribunal;

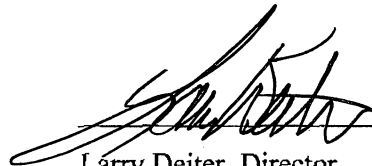
Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that LPL will pay a monetary penalty in the amount of \$35,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that LPL will abide by the agreements made by it in this Consent Order; and it is further

ORDERED that this Consent Order is necessary and appropriate in the public interest and is consistent with the purposes fairly intended by the policy and provisions of SDCL Ch. 47-31B; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

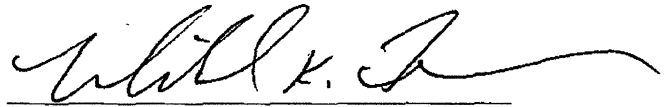
Dated at Pierre, South Dakota this 29th day of April, 2025.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of LPL, represents that it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enters into this Consent Order.

Dated this 28th day of April, 2025.



Signature of Authorized Representative

Michael K. Freedman

Printed Name

EVP, Deputy GC

Title